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Congressional Record

PROCEEDINGS AND DEBATES OF THE 94th CONGRESS, FIRST SESSION

HOUSE OF REPRESENTATIVES—*Friday, March 14, 1975*

The House met at 12 o'clock noon.

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

You shall walk in all the ways which the Lord your God has commanded you, that you may live and that it may be well with you.—Deuteronomy 5: 33.

Almighty God, our Heavenly Father, who art the same yesterday, today, and forever unchanging in Thy laws and Thy love, may we so respond to Thee that our faith may be lifted, our sympathies broadened, our ideals deepened, our visions heightened, and our outlook brightened. Thus may we grow in mind and in spirit as we seek to be the best that we can be and do the best that we can do.

Grant that our Nation may be great not only in the possession of material things but in the power of the princely principles of righteousness, justice, and good will.

May we come to feel that the noblest contributions we can make to the life of our Nation and the welfare of mankind is to give ourselves faithfully and fully to the task of establishing on this planet the kingdom of peace and brotherhood.

In the spirit of the Prince of Peace we pray. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Marks, one of his secretaries.

MESSAGE FROM THE SENATE

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

S. 331. An act to redesignate November 11, of each year as Veterans Day and to make such day a legal public holiday.

The message also announced that the Senate had passed resolutions of the following titles:

S. RES. 23

Resolved, That the Senate disapproves the proposed deferral of budget authority to carry out the comprehensive planning grants program under section 701 of the Housing Act of 1954 (numbered D 75–107), set forth in the special message transmitted by the President to the Congress on November 26, 1974, under section 1013 of the Impoundment Control Act of 1974.

S. RES. 61

Resolved, That the Senate disapproves the proposed deferral of budget authority to carry out the homeownership assistance program under section 235 of the National Housing Act (numbered D 75–48), set forth in the special message transmitted by the President to the Congress on October 4, 1974, under section 1013 of the Impoundment Control Act of 1974.

The message also announced that the Vice President, pursuant to Public Law 91–452, appointed Mr. HUGH SCOTT as a member, on the part of the Senate, of the Commission on the Review of the National Policy Toward Gambling.

PERMISSION FOR COMMITTEE ON EDUCATION AND LABOR TO FILE REPORT ON H.R. 3922, OLDER AMERICANS ACT OF 1965 AMENDMENTS

Mr. BRADEMAS. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor may have until midnight tonight to file a report on H.R. 3922, to amend the Older Americans Act of 1965, to extend the authorizations of appropriations contained in such act, and for other purposes.

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

There was no objection.

PROVIDING FOR THE ELECTION OF MEMBERS TO THE JOINT COMMITTEE ON PRINTING AND THE JOINT COMMITTEE ON THE LIBRARY

Mr. HAYS of Ohio. Mr. Speaker, I ask unanimous consent for the immediate consideration of a resolution (H. Res. 311) providing for the election of Members to the Joint Committee on Printing and the Joint Committee on the Library.

The Clerk read the resolution as follows:

H. RES. 311

Resolved, That the following named Members be, and they are hereby, elected members of the following joint committees of Congress:

Joint Committee on Printing: Mr. Hays, of Ohio; Mr. Brademas, of Indiana; Mr. Dickinson, of Alabama.

Joint Committee on the Library: Mr. Hays, of Ohio; Mr. Nedzi, of Michigan; Mr. Brademas, of Indiana; Mr. Devine, of Ohio; Mr. Moore, of Louisiana.

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

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION FOR COMMITTEE ON BANKING, CURRENCY AND HOUSING TO FILE REPORTS ON H.R. 2783, NATIONAL INSURANCE DEVELOPMENT ACT OF 1975, AND H.R. 4485, EMERGENCY MIDDLE INCOME HOUSING ACT OF 1975

Mr. REUSS. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Currency and Housing may have until midnight tonight to file reports to accompany the bills, H.R. 2783, the National Insurance Development Act of 1975, and H.R. 4485, the Emergency Middle Income Housing Act of 1975.

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

There was no objection.

RETIREMENT OF NEWSMAN FRANK BLAIR

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

Mr. DAVIS. Mr. Speaker, I would like to praise today a man who will soon become a full-time constituent of mine in Hilton Head, S.C. Perhaps you watched the retirement this morning of one of NBC's most notable newsmen, Mr. Frank Blair. A most sad occasion, because many people in America grew up watching Mr. Blair's morning delivery.

He was with the New York-based "Today Show" since its inception. He got there by way of Charleston, S.C., then Washington, D.C., from his hometown of Yemasse, S.C. He went to school at the College of Charleston and worked for a couple of local radio stations before making his move to the bigtime. Frank Blair was a journalist who never lost his objectivity. He will leave a void which will be hard to fill. I want to wish him well in all his future doings. And we in the State of South Carolina and especially the First Congressional District welcome a great son home and thank him for his contribution to making this a greater, more informed America.

1973 ANNUAL REPORT OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 94–20)

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

To the Congress of the United States:

The 1973 Annual Report of the Department of Housing and Urban Development is herewith transmitted to you.

GERALD R. FORD.

THE WHITE HOUSE, *March 14, 1975.*

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

Mr. ANNUNZIO. 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. 50]

Abdnor	Evans, Ind.	Mikva
Abzug	Fithian	Mills
Addabbo	Flynt	Minish
Ambro	Foley	Moakley
Anderson, Ill.	Ford, Mich.	Moorhead, Pa.
Ashley	Ford, Tenn.	Moss
Badillo	Fountain	Mottl
Bafalis	Fraser	Murphy, N.Y.
Barrett	Frey	Neal
Beard, Tenn.	Fulton	Nix
Biaggi	Ginn	Nolan
Bingham	Goldwater	O'Brien
Boggs	Hammer-	O'Hara
Boland	schmidt	O'Neill
Bowen	Harrington	Pattison, N.Y.
Brodhead	Harsha	Peyser
Brooks	Hawkins	Pickle
Brown, Ohio	Hayes, Ind.	Pritchard
Burton, John	Hébert	Railsback
Carney	Hefner	Rangel
Chisholm	Helstoski	Rhodes
Clancy	Henderson	Riegle
Cleveland	Horton	Rodino
Cochran	Howard	Rosenthal
Collins, Ill.	Hungate	Runnels
Conable	Jones, Ala.	Ruppe
Conyers	Jones, Tenn.	Scheuer
Corman	Karth	Schneebeli
Coughlin	Kindness	Schulze
D'Amours	Koch	Sebelius
Daniels,	Landrum	Smith, Nebr.
Dominick V.	Lent	Snyder
Delaney	Litton	Staggers
Dellums	Lloyd, Calif.	Steelman
Dent	Long, Md.	Steiger, Wis.
Derrick	Lott	Stuckey
Devine	Lujan	Symington
Diggs	McClory	Talcott
Dingell	McCormack	Teague
Dodd	McKay	Thompson
Early	Macdonald	Waxman
Edwards, Ala.	Mathis	Wiggins
Edwards, Calif.	Matsunaga	Wilson, Bob
Eilberg	Meeds	Wydler
Esch	Metcalfe	Wylie
Eshleman	Meyner	Young, Ga.

The SPEAKER. On this rollcall 296 Members have recorded their presence by electronic device, a quorum.

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

SURFACE MINING CONTROL AND RECLAMATION ACT OF 1975

Mr. SISK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 304 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 304

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 25) to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs now printed in the bill as an original bill for the purpose of amendment under the five-minute rule. At the conclusion of such consideration, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendments in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. The gentleman from California is recognized for 1 hour.

Mr. SISK. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA) pending which I yield myself such time as I may consume.

Mr. Speaker, the reading of House Resolution 304 makes it amply clear that this provides for an open rule with 2 hours of general debate on H.R. 25, a bill to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations and the acquisition and reclamation of abandoned mines.

House Resolution 304 provides that it shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Interior and Insular Affairs now printed in the bill as an original bill for the purpose of amendment.

H.R. 25 is very similar to the conference report that the House adopted last December by a voice vote. The conference report was pocket-vetoed and that is the reason we are here with the new bill.

H.R. 25 provides for the reclamation of previously mined areas. It establishes a reclamation fund for this purpose. H.R. 25 also grants the Secretary of the Interior the authority necessary to promulgate regulations covering the full surface mining and reclamation control programs established in the act.

Mr. Speaker, I urge the adoption of House Resolution 304 in order that we may discuss and debate H.R. 25.

Mr. Speaker, at this point I yield 5 minutes to the distinguished chairman of the Committee on Interior and Insular Affairs, the gentleman from Florida (Mr. HALEY).

Mr. HALEY. Mr. Speaker, for the fourth time in less than a year, the House will have an opportunity to pass judgment on whether or not we are to have a balanced, effective regulation of surface coal mining in America.

Three times, a majority of our Members have said "Yes." And three times the Senate has agreed with us.

But the President has withheld his approval, and so we once again must consider this bill on its merits. I have little doubt as to what the outcome will be. I predict once again the House will overwhelmingly approve this measure.

That was the action of the Committee on Interior and Insular Affairs earlier this month in reporting the bill to you for floor action. Since we had spent over 60 days in perfecting the language last year, we retained the bill in full committee this year and asked the executive branch to give us their views. We were presented with what is supposed to be, and I trust is indeed, a unified position on the part of the administration. We were given a list of eight crucial issues to reconsider. This we did in three markup sessions that followed.

Four of the eight points were modified along the lines recommended by the administration. Four of them were not modified, because we believed our judgment as to relevant factors remained superior to that of administration witnesses.

Thus, in good faith, we present this bill to you again today and ask for your support.

I urge you to adopt the rule swiftly and to turn your attention to the merits, so that debate can be completed—so we can adopt our version of the legislation this week if possible—and then turn to the Senate bill which passed only Wednesday and is similar to the bill that is before us here.

Then the President will know the mood of the 94th Congress—and I trust it will be a belief so strongly expressed that he will not attempt a veto again.

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

Mr. Speaker, I favor a sensible strip mine bill to reclaim our land but not one which will add unnecessary costs to coal users and cause further increases in electric rates. I, therefore, must oppose this rule and this bill. I have long advocated a change in our rules on the introduction of bills so that we will designate bills by number only rather than by title; but in view of the fact that we have not seen fit to change our rules in this manner, it seems to me that this bill under consideration today should be known as the 1975 act to increase electric rates in America as it will do exactly that and more.

I think it would be well for Members from the cities—where they consume plently of electricity—to take another look at this legislation, rather than say, "I am going to vote for it and get a good environmental vote from some lobbying group." You cannot reason that you will not be affected because you do not have strip mines in your district. Three-fourths of all strip-mined coal is used to generate electricity—so you are af-

fected and your constituents will be affected.

I might say in my district, within the last couple of weeks, we have had meeting after meeting by people who have had increases in their electric rates based solely on the increased cost of coal. In Ohio, and in many, many other States, the electric companies do not even have to go back to the Public Utilities Commission to get permission to increase rates to consumers when the price of coal goes up. Every electric consumer getting those notices of increased rates every month knows exactly what I am talking about. So if you vote for this bill do not go back home and say, "I did not vote to increase electric rates," because you will be doing exactly that if you vote "aye".

To attempt to maintain that this bill is only putting a tax of 35 cents a ton on surface mined coal and will be passing it along only as a small increase is ridiculous. In fact, it is ludicrous. There are many other costs involved here and they will be passed along to the coal consumers and electric users.

I remember when this matter was before the Rules Committee and I discussed the matter of fees to be collected from an acre of coal with the ranking minority member, Mr. SKUBITZ, and I was surprised by the amount a vein of coal 1 foot thick would yield.

In some of the Western States they have strips of coal that are 40 and 45 inches thick. The fees to be derived from such veins would be difficult to imagine.

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

Mr. LATTA. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Mr. Speaker, in appearing before the gentleman's Committee on Rules, I tried to point out that, for example, in the State of Kansas the coal vein is approximately 3 feet thick. Now, 1 acre-foot of coal will produce 1,800 tons of coal, and if you multiply 1,800 tons times 3 feet times the reclamation fee of 35 cents a ton, you will know that the producer will have to pay into this fund $1,980.

It does not take that kind of money to reclaim an acre of that land. The expenditure of $250 will do it.

Now, when we take the State of Montana, where the coal vein runs 40 feet to 80 feet in thickness, the reclamation fee on a 40-foot vein will reach $25,200 an acre—land worth less. Yet it does not cost anywhere near that amount of money to actually reclaim the land.

Where is the additional money going? If you will read this bill, you will see that it is going for "socioeconomic purposes" such as building public buildings, schools, highways, sewers, and water systems.

Mr. LATTA. Mr. Speaker, I thank the gentleman for his contribution.

I might also point out that he mentioned that 32 States already have adequate strip mining laws on the books, including the State of Ohio.

Mr. SKUBITZ. Mr. Speaker, if the gentleman will yield further, let me state that the gentleman is correct.

In addition, I stated also that in this bill the fee to be charged here for reclaiming those lands is to be used for schools and roads, and so forth, and that would be in addition to the charges made in those 32 States to take care of land that is being mined today.

Mr. LATTA. Mr. Speaker, let me add something else.

We are not only doing that, but we are putting money into every State for a new purpose. If a State does not have a college or university teaching a course on mining, the users of coal and electricity are going to give them one, at costs up to $400,000 a year per State.

The administration suggested only a 10 cents per ton fee, and also advocated many other changes in the bill we have before us today which is practically the same as the one previously vetoed. As a matter of fact, the President sent down to the Speaker—and I am sure every Member of the House received a copy—a statement dated February 6 pointing to various changes needed in this legislation, changes necessary to avoid a possible veto.

Mr. Speaker, for the record I am inserting at this point, the President's list of 8 critical changes and 19 other important changes, which he suggested to improve the bill and reduce its cost to consumers. The bill before us today, H.R. 25, does not include most of these required changes:

CRITICAL CHANGES

1. *Citizen suits*. S. 425 would allow citizen suits against any person for a "violation of the provisions of this Act." This could undermine the integrity of the bill's permit mechanism and could lead to mine-by-mine litigation of virtually every ambiguous aspect of the bill even if an operation is in full compliance with existing regulations, standards and permits. This is unnecessary and could lead to production delays or curtailments. Citizen suits are retained in the Administration bill but are modified (consistent with other environmental legislation) to provide for suits against (1) the regulatory agency to enforce the act, and (2) mine operators where violations of regulations or permits are alleged.

2. *Stream siltation*. S. 425 would prohibit increased stream siltation—a requirement which would be extremely difficult or impossible to meet and thus could preclude mining activities. In the Administration's bill, this prohibition is modified to require the maximum practicable limitation on siltation.

3. *Hydrologic disturbances*. S. 425 would establish absolute requirements to preserve the hydrologic integrity of alluvial valley floors—and prevent offsite hydrologic disturbances. Both requirements would be impossible to meet, are unnecessary for reasonable environmental protection and could preclude most mining activities. In the Administration's bill, this provision is modified to require that any such disturbances be prevented to the maximum extent practicable so that there will be a balance between environmental protection and the need for coal production.

4. *Ambiguous terms*. In the case of S. 425, there is great potential for court interpretations of ambiguous provisions which could lead to unnecessary or unanticipated adverse production impact. The Administration's bill provides explicit authority for the Secretary to define ambiguous terms so as to clarify the regulatory process and minimize delays due to litigation.

5. *Abandoned land reclamation fund*. S. 425 would establish a tax of 35¢ per ton for underground mined coal and 25¢ per ton for surface mined coal to create a fund for reclaiming previously mined lands that have been abandoned without being reclaimed, and for other purposes. This tax is unnecessarily high to finance needed reclamation. The Administration bill would set the tax at 10¢ per ton for all coal, providing over $1 billion over ten years which should be ample to reclaim that abandoned coal mined land in need of reclamation.

Under S. 425 funds accrued from the tax on coal could be used by the Federal government (1) for financing construction of roads, utilities, and public buildings on reclaimed mined lands, and (2) for distribution to States to finance roads, utilities and public buildings in any area where coal mining activity is expanding. This provision needlessly duplicates other Federal, State and local programs, and establishes eligibility for Federal grant funding in a situation where facilities are normally financed by local or State borrowing. The need for such funding including the new grant program, has not been established. The Administration bill does not provide authority for funding facilities.

6. *Impoundments*. S. 425 could prohibit or unduly restrict the use of most new or existing impoundments, even though constructed to adequate safety standards. In the Administration's bill, the provisions on location of impoundments have been modified to permit their use where safety standards are met.

7. *National forests*. S. 425 would prohibit mining in the national forests—a prohibition which is inconsistent with multiple use principles and which could unnecessarily lock up 7 billion tons of coal reserves (approximately 30% of the uncommitted Federal surface-minable coal in the contiguous States). In the Administration bill, this provision is modified to permit the Agriculture Secretary to waive the restriction in specific areas when multiple resource analysis indicates that such mining would be in the public interest.

8. *Special unemployment provisions*. The unemployment provision of S. 425 (1) would cause unfair discrimination among classes of unemployed persons, (2) would be difficult to administer, and (3) would set unacceptable precedents including unlimited benefit terms, and weak labor force attachment requirements. This provision of S. 425 is inconsistent with P.L. 93-567 and P.L. 93-572 which were signed into law on December 31, 1974, and which significantly broaden and lengthen general unemployment assistance. The Administration's bill does not include a special unemployment provision.

Other Important Changes. In addition to the critical changes from S. 425, listed above, there are a number of provisions which should be modified to reduce adverse production impact, establish a more workable reclamation and enforcement program, eliminate uncertainties, avoid unnecessary Federal expenditures and Federal displacement of State enforcement activity and solve selected other problems.

1. *Antidegradation*. S. 425 contains a provision which if literally interpreted by the courts, could lead to a nondegradation standard (similar to that experienced with the Clean Air Act) far beyond the environmental and reclamation requirements of the bill. This could lead to production delays and disruption. Changes are included in the Administration bill to overcome this problem.

2. *Reclamation fund*. S. 425 would authorize the use of funds to assist private landowners in reclaiming their lands mined in past years. Such a program would result in windfall gains to the private landowners who would maintain title to their lands while having them reclaimed at Federal expense. The Administration bill deletes this provision.

3. *Interim program timing*. Under S. 425, mining operations could be forced to close down simply because the regulatory authority had not completed action on a mining permit, through no fault of the operator. The Administration bill modifies the timing requirements of the interim program to min-

imize unnecessary delays and production losses.

4. *Federal preemption.* The Federal interim program role provided in S. 425 could (1) lead to unnecessary Federal preemption, displacement or duplication of State regulatory activities and (2) discourage States from assuming an active permanent regulatory role, thus leaving such functions to the Federal government. During the past few years nearly all major coal mining States have improved their surface mining laws, regulations and enforcement activities. In the Administration bill this requirement is revised to limit the Federal enforcement role during the interim program to situations where a violation creates an imminent danger to public health and safety or significant environmental harm.

5. *Surface owner consent.* The requirement in S. 425 for surface owner's consent would substantially modify existing law by transferring to the surface owner coal rights that presently reside with the Federal government. S. 425 would give the surface owner the right to "veto" the mining of Federally owned coal or possibly enable him to realize a substantial windfall. In addition, S. 425 leaves unclear the rights of prospectors under existing law. The Administration is opposed to any provision which could (1) result in a lock up of coal reserves through surface owner veto or (2) lead to windfalls. In the Administration's bill surface owner and prospector rights would continue as provided in exising law.

6. *Federal lands.* S. 425 would set an undesirable precedent by providing for State control over mining of Federally owned coal on Federal lands. In the Administration's bill, Federal regulations governing such activities would not be preempted by State regulations.

7. *Research centers.* S. 425 would provide additional funding authorization for mining research centers through a formula grant program for existing schools of mining. This provision establishes an unnecessary new spending program, duplicates existing authorities for conduct of research, and could fragment existing research efforts already supported by the Federal government. The provision is deleted in the Administration bill.

8. *Prohibition on mining in alluvial valley floors.* S. 425 would extend the prohibition on surface mining involving alluvial valley floors to areas that have the potential for farming or ranching. This is an unnecessary prohibition which could close some existing mines and which would lock up significant coal reserves. In the Administration's bill reclamation of such areas would be required, making the prohibition unnecessary.

9. *Potential moratorium on issuing permits.* S. 425 provides for (1) a ban on the mining of lands under study for designation as unsuitable for coal mining, and (2) an automatic ban whenever such a study is requested by anyone. The Administration's bill modifies these provisions to insure expeditious consideration of proposals for designating lands unsuitable for surface coal mining and to insure that the requirement for review of Federal lands will not trigger such a ban.

10. *Hydrologic data.* Under S. 425, an applicant would have to provide hydrologic data even where the data are already available—a potentially serious and unnecessary workload for small miners. The Administration's bill authorizes the regulatory authority to waive the requirement, in whole or in part, when the data are already available.

11. *Variances.* S. 425 would not give the regulatory authority adequate flexibility to grant variances from the lengthy and detailed performance specifications. The Administration's bill would allow limited variances—with strict environmental safeguards—to achieve specific post-mining land uses and to accommodate equipment shortages during the interim program.

12. *Permit fee.* The requirement in S. 425 for payment of the mining fee before operations begin could impose a large "front end" cost which could unnecessarily prevent some mine openings or force some operators out of business. In the Administration's bill, the regulatory authority would have the authority to extend the fee over several years.

13. *Preferential contracting.* S. 425 would require that special preference be given in reclamation contracts to operators who lose their jobs because of the bill. Such hiring should be based solely on an operator's reclamation capability. The provision does not appear in the Administration's bill.

14. *Any class of buyer.* S. 425 would require that lessees of Federal coal not refuse to sell coal to any class of buyer. This could interfere unnecessarily with both planned and existing coal mining operations, particularly in integrated facilities. This provision is not included in the Administration's bill.

15. *Contract authority.* S. 425 would provide contract authority rather than authorizing appropriations for Federal costs in administering the legislation. This is unnecessary and inconsistent with the thrust of the Congressional Budget Reform and Impoundment Control Act. In the Administration's bill, such costs would be financed through appropriations.

16. *Indian lands.* S. 425 could be construed to require the Secretary of the Interior to regulate coal mining on non-Federal Indian lands. In the Administration bill the definition of Indian lands is modified to eliminate this possibility.

17. *Interest charge.* S. 425 would not provide a reasonable level of interest charged on unpaid penalties. The Administration's bill provides for an interest charge based on Treasury rates so as to assure a sufficient incentive for prompt payment of penalties.

18. *Prohibition on mining within 500 feet of an active mine.* This prohibition in S. 425 would unnecessarily restrict recovery of substantial coal resources even when mining of the areas would be the best possible use of the areas involved. Under the Administration's bill, mining would be allowed in such areas as long as it can be done safely.

19. *Haul roads.* Requirements of S. 425 could preclude some mine operators from moving their coal to market by preventing the connection of haul roads to public roads. The Administration's bill would modify this provision.

Now, Mr. Speaker, I think we should have gotten the President's message pretty clearly, but the bill we have before us has only two significant changes from the bill that the President vetoed. Let me mention these changes: The dropping of the unemployment compensation provisions and the lowering of the reclamation tax on underground-mined coal of 25 cents a ton to 10 cents per ton. But the surface-mined coal tax remains at 35 cents a ton and, as I mentioned earlier, three-fourths of the coal is used to generate electricity.

I would think since the President made a pretty good case when he vetoed the previous bill, we should heed some of his suggestions in order to avoid another veto. I think the American people welcomed his first veto and I think they will welcome a second veto unless some changes are made in the bill now before us.

The Department of Interior has estimated that passage of this bill would—

Cut coal production by between 48 and 141 million tons, or 8 to 23 percent of all coal production;

Cause the loss of nearly 50,000 jobs; and

Require the daily import of an additional 1.3 million barrels of foreign oil at a balance of payments cost of $5.4 billion, and causing a $2.1 billion loss of purchasing power in the gross national product.

Mr. Speaker, hopefully, during the 5-minute rule, some of these changes the administration would like to see in this legislation will be approved.

I know that all too frequently the Members are away from the floor during the 5-minute rule, and the will of committee usually prevails. Hopefully, Members will stay on the floor and support the administration's amendments when they are proposed to reduce the costs of this bill.

Mr. Speaker, I hope that appropriate changes will be made.

Mr. SISK. Mr. Speaker, I yield 5 minutes to the gentleman from New York (Mr. OTTINGER).

Mr. OTTINGER. Mr. Speaker, I want to congratulate my good friend, the gentleman from California (Mr. SISK), and the members of the Committee on Rules for acting on this very important matter so expeditiously, and particularly for the adoption of the Moakley amendment that will allow us to consider this legislation on a section-by-section basis.

I think that the gentleman from Arizona (Mr. UDALL) and the gentlewoman from Hawaii (Mrs. MINK) have done a splendid job in getting this legislation before the House of Representatives and in doing it promptly. It is legislation very badly wanted throughout the country. It was passed overwhelmingly in the past. It would be the law of the land now were it not for the action of the President in vetoing it. But the legislation, as it was passed in the last Congress, represented a very much watered-down compromise.

With the increased environmental interest that is represented in this body, with the great number of new Members on both sides of the aisle who were elected to this House largely on environmental platforms, I think the opportunity to strengthen this legislation is very considerable. There is an opportunity to put back some of the things in this bill which were in the original version of it when my friend, the gentleman from Arizona (Mr. UDALL) originally introduced the legislation several years ago. This rule, as amended by the gentleman from Massachusetts (Mr. MOAKLEY), will permit us on a section-by-section basis to have the opportunity to try to put some of these strengthening provisions into it.

I am very optimistic, in view of the new environmental majority that we do have and in view of the very great opportunity that we have, that we will produce even more meaningful legislation. I would like to congratulate my good friend, neighbor, and colleague, the gentleman from West Virginia (Mr. HECHLER), for his splendid leadership in bringing about stronger legislation.

Unfortunately, the Committee on Interior only set aside two days of hearings

for this important legislation, and it gave no opportunity whatsoever to the people who sought to testify before the Committee on Interior with respect to strengthening amendments. They did not have an opportunity to be heard at all. As I understand it, the only witnesses who were heard were administration witnesses in support of the bill. And I understand that only one day of the hearings was used. Despite the fact that an additional day was set aside for this purpose, that extra day was not used to permit witnesses who wanted to strengthen this legislation to come before the committee.

I ask the Members of this body whether any of the people who are going to be affected by this legislation were given an opportunity to be heard? They did not get the chance to be heard, and they were not heard. Yet, a great many people's lives and their homes are going to be very directly affected by the degree of protection that we afford them.

I will be offering during consideration of this legislation an amendment which will permit the people who own surface and rights an opportunity for protection under this legislation, which at the present time is only offered property land surface owners where the coal rights on their property are owned by the Federal Government.

I think surface property owners ought to be protected, regardless who owns the mining rights under their home. The property owners who will be affected did not have an opportunity to be heard.

There is very severe concern in this legislation that surface mining on very steep slopes that is particularly devastating, that causes landslides, is not prohibited in this legislation. A new Member of this body who has played a very constructive role and who is the vice chairman of our New Members' Group, the gentlelady from Maryland (Mrs. SPELLMAN), will offer an amendment to prohibit that, to stop cutting off mountaintops and surface mining on very steep areas resulting in mud slides that, in the past, have wiped out communities, have divided communities, and have cut off their access to roads.

As I recall, there was one community, and we saw some moving pictures of it, a number of years back, that was cut off entirely from all road traffic and communications. The community was cut off by landslides resulting from strip mining, and its people could not get through even with trucks. The roads were entirely lost due to the landslide. I think situations such as these should have been considered by the committee. We will have the opportunity to consider such cases in this legislation, thanks to the action of the Committee on Rules.

I hope the rule will be adopted and that the important legislation for which it provides will be passed overwhelming.

Mr. LATTA. Mr. Speaker, I yield myself 1 minute, and I take this time in order to ask the chairman of the committee, the gentleman from Arizona (Mr. UDALL), whether this legislation affects in any way the rights of an owner of mineral rights situated below land owned by the Federal Government.

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

Mr. LATTA. Yes; I would be happy to yield to the gentleman.

Mr. UDALL. Mr. Speaker, we have in title VII of the bill an extensive provision that was the result of a compromise worked out in last year's conference committee which protects bona fide surface owners where there is Federal coal underneath the land; they have to give their consent before surface mining will occur.

Mr. LATTA. That takes care of the Federal Government when it owns the mineral rights, but I have reference to the opposite situation where the surface is owned by the Federal Government, but the mineral rights have been retained by a private owner.

Mr. UDALL. We did not deal with that problem. I do not know of any instance in which it would arise or be affected.

Mr. LATTA. It is not covered by this bill.

Mr. OTTINGER. Mr. Speaker, if the gentleman would yield, why would not the rights of a surface owner be protected where the mineral rights were not owned by the Federal Government, but were owned privately?

Mr. UDALL. The problem we dealt with was the situation in the instance where private interests owned the surface but the Federal Government owned the coal.

The SPEAKER. The time of the gentleman has expired.

Mr. LATTA. Mr. Speaker, I yield myself 1 additional minute.

Mr. OTTINGER. If the gentleman will yield further, I think there are situations where private owners own both the surface and the coal, and there is no protection provided.

Mr. UDALL. In that case the whole thrust of the bill is to regulate how to mine coal, whatever the ownership is.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. LATTA. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. I would like to direct another question to the gentleman from Arizona.

We have a situation down in West Virginia which I planned to present to the Committee on Interior and Insular Affairs, this week, but, of course, I did not have an opportunity to do so, where a number of people own their own homes on land where, many, many years ago the coal companies or land companies had bought up the land.

We now have the situation where these coal companies are coming in and evicting these people from their houses that the people own themselves, and in which they have put permanent improvements, and so forth, and they are not being compensated by the coal company that now, all of a sudden, says "We are going to throw you out of these $8,000 or $10,000 homes because we want to take the coal out from underneath your home."

I am wondering whether the gentleman or his committee would be agreeable to an amendment that would take care of the rights of homeowners on land where coal is discovered now and where the coal company wants to get in and mine.

Mr. UDALL. I would be glad to look at the gentleman's amendment. We did have some testimony and controversy about the problem of the so-called broad-form deed, but a decision was made by the conferees last year, and it was not changed in this year's bill, that this is largely a matter of State property law and State constitutions. There was a serious question about the ability of the Federal Government to move into this situation.

The SPEAKER. The time of the gentleman has expired.

Mr. LATTA. Mr. Speaker, I yield myself 1 additional minute.

Mr. Speaker, if the chairman of the committee would yield further for a question for clarification, if I understood what you said, this bill does not deal with the situation propounded in my question, meaning where a private citizen has sold the surface to the Federal Government and has retained the mineral rights. This bill would not in any way affect the mineral rights of that private citizen?

Mr. UDALL. This is a bill that deals with how one mines coal in that situation and every other situation, but we do not attempt to change property rights in the situation the gentleman talks about and thus the mineral rights are not affected.

Mr. LATTA. I appreciate the gentleman's answer.

Mr. Speaker, I do not have any further requests for time.

Mr. SISK. Mr. Speaker, I yield 5 minutes to the gentleman from West Virginia (Mr. HECHLER).

Mr. HECHLER of West Virginia. Mr. Speaker, I believe I will support this rule so that we may proceed with the general debate on H.R. 25 and the subsequent amendments for the strengthening of the pending legislation.

I would like to direct a question to the gentleman from California who is handling the rule. As I understand the action of the Committee on Rules, as described by the gentleman, this bill will be read section by section under the 5-minute rule; is that correct?

Mr. SISK. Would the gentleman yield?

Mr. HECHLER of West Virginia. I will gladly yield to the gentleman from California.

Mr. SISK. The gentleman is exactly correct. The rule makes it very clear, and it was duly requested at the time that the various Members appeared before the committee to so provide. It is provided, and it will be read section by section.

Mr. HECHLER of West Virginia. I appreciate the advice of the gentleman. I simply would like to add my commendation to the gentleman from Massachusetts (Mr. MOAKLEY) who made that motion in the Committee on Rules to allow this bill to be read section by section.

As I commented in my testimony before the Committee on Rules, Mr. Speaker, I think it is very unfortunate, however, that the Committee on Interior and

Insular Affairs should have shut off and gagged all the Members from testifying at any hearings in 1975. There was no opportunity whatsoever for outside witnesses to testify on the legislation this year. H.R. 25 comes to this House with 91 new Members of this House who were not here last year. Over 20 percent of the membership were not Members of the 93d Congress which debated this bill last year. I believe there are 14 new members of the House Committee on Interior and Insular Affairs who have not previously heard testimony on this piece of legislation.

The American Mining Congress, the National Coal Association, and groups both favoring and opposing this bill have strenuously protested the fact that the Committee on Interior and Insular Affairs did not give an opportunity for either those who wanted to testify on behalf of industry or those who wanted to testify on behalf of strengthening this bill to appear before the committee to present their points of view.

Mr. Speaker, I fully realize the necessity for moving forward on this legislation, but there is absolutely no reason why 1 day could not be set aside—just 1 day—for those Members on both sides, and Members with any points of view different from the committee, to give their recommendations or up-to-date information concerning what the situation is with respect to strip mining.

Let me point out just one little example of information which I doubt the committee even today understands is happening. In the State of West Virginia in the year 1974, 1 year after our previous hearings were held before the Interior Committee, there were 402 applications for permits for strip mining within the State of West Virginia. Of those, only four were denied—less than 1 percent of the permits applied for.

It would seem to me incumbent upon the Interior Committee to review this process, because this piece of legislation puts primary authority on the States to administer the law. It is very difficult in a State such as West Virginia or even in Kentucky, where the coal industry's economic and political pressures are so heavy, to get a strip mining law that is going to be enforced strictly and in the public interest.

I think this is a very questionable ruling on the part of the Committee on Interior and Insular Affairs, but it was even more questionable when it was discovered the administration only used one of its 2 days for its own testimony. It could have been easily possible for that additional day to have been set aside for the other witnesses and it is for this reason that I directed this letter to the chairman of the Committee on Interior and Insular Affairs:

DEAR MR. CHAIRMAN: It is my understanding that the House Interior Committee plans to bring the surface mining bill to the floor after hearing only Administration witnesses. By this procedure, only those interested in weakening the bill are being heard.

Representing the Congressional District with the largest number of coal miners, and the largest tonnage of underground mining in the United States (as well as a considerable tonnage of strip mining), I am deeply concerned with the effects of strip mining now and in the future. Considerable data has been developed since I testified before your Committee in 1973, plus a large amount of evidence on state administration of the West Virginia law, and the future effects of the legislation now being considered.

I respectfully request the opportunity to testify before your committee prior to the mark-up of the surface mining bill, in order to insure that your committee receives balanced testimony from those who favor strengthening the legislation as well as those who favor weakening the legislation. Also, I feel that the committee should have in hand 1975 data on the meaning and effects of this legislation, rather than relying on out-of-date data.

In response, the chairman of the committee wrote to me on March 10 as follows:

WASHINGTON, D.C.,
March 10, 1975.

Hon. KEN HECHLER,
Cannon Office Building,
Washington, D.C.

DEAR KEN: As you know, the Committee on Interior and Insular Affairs has reported the Coal Surface Mining legislation to the House.

Early this session, there was some discussion concerning this matter to determine whether or not it would be desirable for the Committee or its Subcommittees to conduct further hearings before taking any action. It was concluded that it was in the best interest of the Nation to pursue the legislation at the earliest opportunity. To this end, the Committee approved a resolution which provided that the bill would be reported after hearing only spokesmen for the Administration on the questions raised by the presidential veto.

While I do not know what the final outcome will be with respect to this matter, I am hopeful that the legislation can be passed by the House and approved in reasonably comparable form by the Senate so that a bill can be presented to the President in the near future. In the event that it is impossible to reach a reasonable compromise, we may have to go back to the drawing boards again. If that occurs, you will undoubtedly have an opportunity to address this issue before the Committee takes any further action.

In any case, I expect you will have an opportunity to make your case to the Members of the House on the Floor.

With kindest regards, I am,
Sincerely yours,
JAMES A. HALEY,
Chairman.

Mr. Speaker. I would simply like to observe that I fail to understand what the Committee on Interior and Insular Affairs had to fear from my testimony.

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

Mr. HECHLER of West Virginia. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Speaker, I thank the gentleman from West Virginia for yielding.

I certainly hope that while the gentleman is inserting those letters into the RECORD—and I can assure the gentleman I have no fear and I would have loved to have him there—the gentleman might also insert in the RECORD the vote that was taken on that question.

Mr. HECHLER of West Virginia. I believe the record vote was 29 to 15, if my memory serves me correctly. The record vote was 29 to 15, I believe, on the legislation. But nowhere in this committee report, which is about 225 pages in length, nowhere is the point of view expressed by those who wanted to strengthen this legislation. There are majority views, there are minority views, there are committee views, there are views of those who support or want to weaken this legislation; but nowhere in this report has the opportunity been given to include the opinions of those affected by the strip mining or those who want to strengthen H.R. 25.

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

Mr. HECHLER of West Virginia. I yield to the gentleman from Florida, the chairman of the Committee on Interior and Insular Affairs.

Mr. HALEY. The gentleman from West Virginia appears to be very critical of the chairman of the committee, which happens to be myself. Does the gentleman also know that this resolution reports the bill under certain conditions and holding hearings was in the resolution adopted by the Committee on Interior and Insular Affairs and, of course, the Chair presided and we had to follow those instructions. I hope the gentleman will make that plain.

Mr. HECHLER of West Virginia. Yes. I certainly appreciate the elaboration the gentleman made. I did not mean my remarks to be interpreted as any reflection on the chairman. This is an action of the entire committee. The committee took what I have termed questionable action and I must say that privately a number of members have told me they regretted that this action was taken to deprive members of the opportunity to testify.

The SPEAKER. The time of the gentleman from West Virginia has expired.

Mr. SISK. Mr. Speaker, I yield the gentleman from West Virginia 2 additional minutes.

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

Mr. HECHLER of West Virginia. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Speaker, did I understand the gentleman to say even though there were hearings held on this last year, we do have a number of new committee members and no committee hearings were held this year?

Mr. HECHLER of West Virginia. I will say to the gentleman from California, hearings were held by the Committee on Interior and Insular Affairs in 1973, 2 years ago. Those were the last hearings held up until the time the committee held only 1 day of hearings this year, and only the administration testified. So all the new members, both the new members of the Committee on Interior and Insular Affairs and the 91 new Members of the House, had no opportunity to consider this legislation before it was rushed here to the floor.

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

Mr. HECHLER of West Virginia. I yield to the gentleman from Kansas.

Mr. SKUBITZ. Was that part of the reform movement?

Mr. HECHLER of West Virginia. Mr. Speaker, I cannot interpret the reasons for the action. I am grateful to the Committee on Rules for making available this time so that we may read this bill section by section. I think a responsible development of the legislative process is to hear the legislation in the committee, and to give Members of the House an opportunity to testify. Limit the Members, if you will, to 5 or 10 minutes in the committee; but at least give them an opportunity to testify before that committee or submit documentary material for the record.

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

Mr. HECHLER of West Virginia. I yield to the gentleman from Ohio.

Mr. LATTA. Would not also the rules apply to give the general public an opportunity to be heard? After all, the people of this great Nation are the ones that are going to be affected by this legislation or any other legislation, not only the Members of Congress.

I have not served on that legislative committee for a number of years, but when I was serving on the Committee on Agriculture, for example, we always gave the general public an opportunity to be heard for or against the legislation. Now, has that been changed?

Mr. HECHLER of West Virginia. The gentleman is absolutely right; not only members of the public, but consumers and others who are affected by the price of coal, people in the areas affected by strip mining, all these people should have been heard by the committee and the committee did not choose to follow that policy.

Mr. WAMPLER. Mr. Speaker, I rise in opposition to House Resolution 304. Normally, I support open rules which make in order legislative consideration of bills which have been subjected to normal and orderly committee hearing procedure.

H.R. 25, the so-called Surface Mining Control and Reclamation Act of 1975, was not the subject of legislative hearings before the Committee on Interior and Insular Affairs during the 94th Congress.

Mr. Speaker, many citizens of Virginia, who will be adversely affected by this legislation, wanted an opportunity to be heard so they could save their jobs and their small businesses. I think they could have offered a number of changes to H.R. 25 which would have considerably improved the bill. This opportunity was denied to them.

Mr. Speaker, I include as a part of my remarks the reply of the Committee on Interior and Insular Affairs of February 12, 1975, to my request to allow certain citizens of the Ninth Congressional District of Virginia to testify on this bill:

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
Washington, D.C., February 12, 1975.

Hon. WILLIAM C. WAMPLER,
Rayburn Building,
Washington, D.C.

DEAR COLLEAGUE: I have your letter and the enclosures indicating that certain constituents of yours would like to have an opportunity to testify on the surface coal mining legislation.

At the February 3 meeting of the Committee on Interior and Insular Affairs a resolution was approved which indicated that it was the sense of the Committee that adequate hearings had been conducted on this matter in recent years and that the Committee contemplates consideration of the various points which the President took into consideration in his veto of the legislation approved by the Congress last year. The Committee concluded that no further public hearings would be needed; consequently, only Administration spokesmen are being asked to come before the Committee. We expect to hold meetings on February 18 and 20 and we anticipate final action on the measure no later than February 27.

I appreciate your interest in this matter and I hope that you understand that the Committee desires to get this legislation before the House as soon as possible.

Sincerely yours,

JAMES A. HALEY,
Chairman.

Mr. Speaker, I urge the defeat of this resolution. Let us have hearings and legislate on the basis of current data and testimony.

Mr. SISK. Mr. Speaker, may I inquire, does the gentleman from Ohio desire to yield further time?

Mr. LATTA. Mr. Speaker, I have no further requests for time.

Mr. SISK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

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

Mr. BRINKLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 274, nays 36, answered "present" 1, not voting 121, as follows:

[Roll No. 51]

YEAS—274

Adams	Bergland	Byron
Alexander	Biester	Carr
Ambro	Blanchard	Carter
Anderson,	Blouin	Cederberg
Calif.	Bolling	Chappell
Anderson, Ill.	Brademas	Chisholm
Andrews, N.C.	Breaux	Clausen,
Andrews,	Breckinridge	Don H.
N. Dak.	Brinkley	Clay
Annunzio	Brodhead	Cohen
Archer	Broomfield	Collins, Ill.
Armstrong	Brown, Calif.	Conlan
Aspin	Brown, Mich.	Conte
AuCoin	Brown, Ohio	Cornell
Badillo	Broyhill	Crane
Baldus	Buchanan	Daniel, Dan
Baucus	Burgener	Danielson
Bauman	Burke, Calif.	de la Garza
Beard, R.I.	Burke, Fla.	Dellums
Bedell	Burke, Mass.	Derwinski
Bell	Burlison, Mo.	Dingell
Bennett	Burton, Phillip	Downey
Downing	Krebs	Roe
Drinan	Krueger	Rogers
Duncan, Oreg.	LaFalce	Roncalio
du Pont	Lagomarsino	Rooney
Eckhardt	Leggett	Rose
Edgar	Lehman	Rostenkowski
Emery	Levitas	Roush
English	Lloyd, Tenn.	Roybal
Erlenborn	Long, La.	Ruppe
Evans, Colo.	Long, Md.	Russo
Evins, Tenn.	McCloskey	Ryan
Fascell	McCormack	St Germain
Findley	McDade	Sarasin
Fish	McEwen	Sarbanes
Fisher	McFall	Scheuer
Flood	McHugh	Schroeder
Florio	McKinney	Seiberling
Flowers	Madden	Sharp
Foley	Maguire	Shipley
Forsythe	Mahon	Shriver
Frenzel	Mann	Shuster
Fuqua	Martin	Sikes
Gaydos	Matsunaga	Simon
Giaimo	Mazzoli	Sisk
Gibbons	Melcher	Skubitz
Gilman	Mezvinsky	Slack
Goodling	Michel	Smith, Iowa
Gradison	Milford	Solarz
Grassley	Miller, Calif.	Spellman
Green	Miller, Ohio	Stanton,
Gude	Mineta	James V.
Hagedorn	Mink	Stark
Haley	Mitchell, Md.	Steed
Hall	Mitchell, N.Y.	Stokes
Hamilton	Moffett	Stratton
Hanley	Mollohan	Studds
Hannaford	Moore	Taylor, N.C.
Harkin	Moorhead,	Teague
Harris	Calif.	Thone
Hastings	Morgan	Thornton
Hayes, Ind.	Mosher	Traxler
Hays, Ohio	Moss	Treen
Hébert	Murphy, Ill.	Tsongas
Hechler, W. Va.	Murtha	Udall
Heckler, Mass.	Myers, Ind.	Ullman
Heinz	Myers, Pa.	Van Deerlin
Hicks	Natcher	Vander Jagt
Hightower	Nedzi	Vander Veen
Hillis	Nichols	Vanik
Hinshaw	Nolan	Vigorito
Holland	Nowak	Walsh
Holt	Oberstar	Weaver
Holtzman	Obey	Whalen
Howe	Ottinger	White
Hubbard	Passman	Whitehurst
Hughes	Patten	Whitten
Hutchinson	Patterson, Calif.	Wiggins
Hyde	Pepper	Wilson, Bob
Ichord	Perkins	Wilson,
Jacobs	Pike	Charles H.,
Jarman	Pressler	Calif.
Jeffords	Preyer	Wilson,
Johnson, Calif.	Price	Charles, Tex.
Johnson, Colo.	Quie	Winn
Johnson, Pa.	Randall	Wirth
Jones, N.C.	Rees	Wolff
Jones, Okla.	Regula	Wright
Jordan	Reuss	Yates
Kasten	Richmond	Yatron
Kastenmeier	Riegle	Young, Fla.
Kemp	Rinaldo	Zablocki
Keys	Risenhoover	Zeferetti

NAYS—36

Ashbrook	Hansen	Robinson
Bevill	Jenrette	Rousselot
Burleson, Tex.	Kazen	Satterfield
Butler	Kelly	Steiger, Ariz.
Casey	Ketchum	Stephens
Clawson, Del	Latta	Symms
Collins, Tex.	McCollister	Taylor, Mo.
Daniel, Robert	McDonald	Waggonner
W., Jr.	Montgomery	Wampler
Davis	Patman	Young, Alaska
Dickinson	Poage	Young, Tex.
Gonzalez	Quillen	
Guyer	Roberts	

ANSWERED "PRESENT"—1

Madigan

NOT VOTING—121

Abdnor	Bowen	D'Amours
Abzug	Brooks	Daniels,
Addabbo	Burton, John	Dominick V.
Ashley	Carney	Delaney
Bafalis	Clancy	Dent
Barrett	Cleveland	Derrick
Beard, Tenn.	Cochran	Devine
Biaggi	Conable	Diggs
Bingham	Conyers	Dodd
Boggs	Corman	Duncan, Tenn.
Boland	Cotter	Early
Bonker	Coughlin	Edwards, Ala.

Edwards, Calif.	Kindness	Pritchard
Eilberg	Koch	Railsback
Esch	Landrum	Rangel
Eshleman	Lent	Rhodes
Evans, Ind.	Litton	Rodino
Fenwick	Lloyd, Calif.	Rosenthal
Fithian	Lott	Runnels
Flynt	Lujan	Santini
Ford, Mich.	McClory	Schneebeli
Ford, Tenn.	McKay	Schulze
Fountain	Macdonald	Sebelius
Fraser	Mathis	Smith, Nebr.
Frey	Meeds	Snyder
Fulton	Metcalfe	Spence
Ginn	Meyner	Staggers
Goldwater	Mikva	Stanton, J. William
Hammer-schmidt	Mills	Steelman
Harrington	Minish	Steiger, Wis.
Harsha	Moakley	Stuckey
Hawkins	Moorhead, Pa.	Sullivan
Hefner	Mottl	Symington
Helstoski	Murphy, N.Y.	Talcott
Henderson	Neal	Thompson
Horton	Nix	Waxman
Howard	O'Brien	Wydler
Hungate	O'Hara	Wylie
Jones, Ala.	O'Neill	Young, Ga.
Jones, Tenn.	Pattison, N.Y.	
Karth	Peyser	
	Pickle	

So the resolution was agreed to.

The Clerk announced the following pairs:

Mrs. Boggs with Mr. Boland.
Mr. Dominick V. Daniels with Mr. Frey.
Mr. Dent with Mr. O'Brien.
Mr. Barrett with Mr. Harsha.
Mr. Addabbo with Mr. Cochran.
Mr. Diggs with Mr. McClory.
Mr. Henderson with Mr. Devine.
Ms. Abzug with Mr. Kindness.
Mr. Rodino with Mrs. Smith of Nebraska.
Mr. Dodd with Mr. Abdnor.
Mr. O'Neill with Mr. Wydler.
Mr. Brooks with Mr. Horton.
Mrs. Sullivan with Mr. Clancy.
Mr. Staggers with Mr. Talcott.
Mr. Thompson with Mr. Duncan of Tennessee.
Mr. Jones of Tennessee with Mr. Wylie.
Mr. Cotter with Mr. Beard of Tennessee.
Mr. Carney with Mr. Steiger of Wisconsin.
Mr. Bingham with Mr. Peyser.
Mr. Flynt with Mr. Coughlin.
Mr. Fulton with Mr. Snyder.
Mr. Hawkins with Mr. Lujan.
Mr. Howard with Mr. Cleveland.
Mr. Delaney with Mr. Spence.
Mr. Early with Mrs. Fenwick.
Mr. Eilberg with Mr. J. William Stanton.
Mr. Evans of Indiana with Mr. Conable.
Mr. Murphy of New York with Mr. Lent.
Mr. Nix with Mr. Edwards of Alabama.
Mr. Moorhead of Pennsylvania with Mr. Lott.
Mr. Biaggi with Mr. Hammerschmidt.
Mr. Bonker with Mr. Esch.
Mr. Edwards of California with Mr. Goldwater.
Mr. Fountain with Mr. Schneebeli.
Mr. Helstoski with Mr. Eshleman.
Mr. Jones of Alabama with Mr. Sebelius.
Mr. Rosenthal with Mr. O'Hara.
Mr. Rangel with Mr. Ashley.
Mr. John L. Burton with Mr. Moakley.
Mr. Corman with Mr. Hungate.
Mr. D'Amours with Mr. Landrum.
Mr. Derrick with Mr. Macdonald of Massachusetts.
Mr. Bowen with Mr. Mathis.
Mr. Bafalis with Mr. Minish.
Mr. Ford of Michigan with Mr. Mikva.
Mr. Fraser with Mr. Harrington.
Mr. Ginn with Mr. Karth.
Mr. Hefner with Mr. Pritchard.
Mr. Koch with Mr. Steelman.
Mr. Litton with Mr. Stuckey.
Mr. Runnels with Mr. McKay.
Mr. Young of Georgia with Mr. Schulze.
Mr. Conyers with Mr. Symington.
Mr. Fithian with Mr. Ford of Tennessee.
Mr. Lloyd of California with Mr. Meeds.
Mr. Metcalfe with Mr. Rhodes.
Mr. Santini with Mr. Pattison of New York.
Mr. Mottl with Mr. Neal.
Mrs. Meyner with Mr. Pickle.
Mr. Waxman with Mr. Railsback.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. UDALL. 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. 25) to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Arizona (Mr. UDALL).

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. 25, with Mr. SMITH of Iowa in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Arizona (Mr. UDALL) will be recognized for 1 hour, and the gentleman from Arizona (Mr. STEIGER) will be recognized for 1 hour.

The Chair recognizes the gentleman from Arizona (Mr. UDALL).

Mr. UDALL. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it has been 3 years 6 months and 12 days since the Subcommittee on Mines and Mining of the House Interior Committee of the 92d Congress opened hearings on legislation to regulate strip mining. Since that day, in 1971, strip mining has been an almost constant topic of legislative activity in either committee, the House, or in conference, and yet we are still without a law.

Of course, the price of coal has skyrocketed during this period—not because of production costs or inflation, but because the price of oil has simply made Btu's more valuable and more profitable—and a lot of land has been stripped and inadequately reclaimed.

As the committee report on H.R. 25 demonstrates, the need for a sound Federal reclamation law has increased, not decreased, and the proposition of inadequately expanded production is totally unacceptable.

But we are still hearing the same old cry that the strip mining bill is too rigid—too tilted toward environmental values. To the contrary, as the Members of this body well know, H.R. 25 is, with a few modifications, the same bill that the House and Senate passed, but the President vetoed last December.

Every word, sentence, and paragraph of H.R. 25 is the result of careful compromise. With the passage of time, it is easy for the bill's critics to continue to obfuscate the facts, but it is important to put the issue in perspective and look back to the major compromises that have already been made in the legislation:

First. Environmentalists and many citizens of the Appalachian region argued forcefully that strip mining should be banned—the committee chose, instead, to write a regulatory bill.

Second. Environmentalists maintain that given the dismal history of State regulation, the Federal Government should have primary regulatory authority in implementing the bill. Indeed, the House passed such a bill in the 92d Congress—the committee chose, instead, to vest primary regulatory authority in the States with Federal backup.

Third. Environmentalists maintained that there should be an immediate implementation of all environmental performance standards which would result in a de facto moratorium on new starts—the House rejected this motion and adopted interim standards and a phase-in of the new program.

Fourth. Environmentalists supported placing the agency responsibility in the Environmental Protection Agency—the committee chose to follow the advice of the administration and industry, and placed that responsibility in the Department of the Interior.

Fifth. The environmental performance standards also reflect compromise:

First. The approximate original contour concept is flexible in that it allows mining where there is too little or too much overburden.

Second. There are appropriate variances to the regrading standards to allow mountain-top removal.

Third. Topsoil must be replaced unless other strata are more suitable.

Fourth. Native revegetation must be used unless introduced species are just as good, et cetera.

But having obtained these compromises, the administration and the industry are apparently unsatisfied. With its insatiable appetite for further weakening provisions, the administration now comes to the Congress with lists of "critical" amendments, including such allegedly important provisions as—

Giving the Secretary authority to define "ambiguous terms"—authority which he has anyway, through his power to issue regulations, and

Weakening of a citizen suit provision that is somehow unacceptable in the strip mining bill, although a substantively identical section was approved by the President in the deepwater ports bill the day after he vetoed the strip mining bill.

Of the other eight critical amendments the committee accepted one and adopted modifications or substitutes which addressed the underlying concerns reflected by three others. Specifically, the committee—

Dropped the special unemployment provisions of the act;

Reduced the deep mine reclamation fee from 25 to 10 cents per ton;

Substituted a provision giving the Corps of Engineers supervisory authority over the construction of waste impoundments for the performance standard of H.R. 25; and

Modified the siltation control standard to specify that the best "technology currently available" should be used to reduce siltation.

Moreover, the committee—

Accepted the administration's proposal that some troublesome language in the purposes section should be dropped to avoid overly stringent court interpretation;

Accepted the administration amendment to avoid any possible de facto moratorium on new starts;

Approved an administration amendment to clarify the designation of lands unsuitable for mining mechanism; and

Adopted a number of other amendments that the administration had labeled as "Important Changes."

As Members of this body also know, H.R. 25 was the product of 2 years of extensive debate. Barely 2 months had passed from the last conference committee meeting when the committee quite properly voted to limit full committee markup after inviting representatives of the administration to present their views.

The industry has been particularly vocal in its outrage over the Interior Committee's vote to proceed to markup without taking additional testimony.

The American Mining Congress has, in fact, called for the return of H.R. 25 to committee for the purpose of holding hearings. In so doing, it stated that,

We seek no subtle technical delay.

The Mining Congress' assertion will not be readily accepted by those of us who have suffered through the cynical strategy of delay hatched by industry lobbyists that so effectively prevented the 93d Congress from working its will in a timely manner. Through parliamentary maneuver and interminable amendment, the President had the opportunity to pocket veto the bill.

In the 93d Congress the system broke down and it is up to the 94th Congress to set things right.

We owe no apology to the industry or the administration—their views are well known, their amendments have been considered and some have been adopted. No doubt, some of their amendments will be adopted in these proceedings.

The only apology due will be due to the American people if we are not capable of acting quickly and decisively on this bill.

Thus I shall not take time to rehash the committee position on the major issues presented by this legislation, I have spoken thoroughly to these points during debate on the adoption of the conference report last December.

I will simply urge this body to once again exercise its wisdom and again attempt to give the Nation this badly needed legislation.

Mr. Chairman, In the printing of the Interior Committee report on H.R. 25 (Rept. 94-45) several paragraphs with respect to citizen participation and citizen suits were inadvertently deleted during the printing process. The paragraphs deleted were contained in last year's report under the same section, and even though the legislative history from the last Congress is incorporated in this year's consideration of the bill, I would like to take the opportunity at this time to insert in the RECORD a corrected section on citizen participation for the committee report on H.R. 25 (pages 83-84):

CITIZEN PARTICIPATION

The success or failure of a national coal surface mining regulation program will depend, to a significant extent, on the role played by citizens in the regulatory process. The State or Department of Interior can employ only so many inspectors, only a limited number of inspections can be made on a regular basis and only a limited amount of information can be required in a permit or bond release application or elicited at a hearing. Moreover, a number of decisions to be made by the regulatory authority in the designation and variance processes under the Act are contingent on the outcome of land use issues which require an analysis of various local and regional considerations. While citizen participation is not, and cannot be, a substitute for governmental authority, citizen involvement in all phases of the regulatory scheme will help insure that the decisions and actions of the regulatory authority are grounded upon complete and full information. In addition, providing citizen access to administrative appellate procedures and the courts is a practical and legitimate method of assuring the regulatory authority's compliance with the requirements of the Act. Thus in imposing several provisions which contemplate active citizen involvement, the Committee is carrying out its conviction that the participation of private citizens is a vital factor in the regulatory program as established by the Act.

H.R. 25's major citizen participation provisions are as follows:

REGULATORY PROGRAMS

(a) Regulations—180 days following enactment, the Secretary is to promulgate regulations for the Act's permanent program after holding at least one public hearing. (Sec. 501)

(b) Approval of State plan—Prior to the approval or disapproval of a State program, or approval or disapproval of a State's resubmitted program, the Secretary must hold at least one public hearing in the State. (Section 503)

PERMIT PROCESS

(a) Permit Approval or Denial—Prior to submitting an application for a mining permit, the applicant must give notice of intention to submit such application through newspaper advertisements and a hearing on the application shall be granted upon the filing of objections to the application. (Section 513)

(b) Exceptions from general environmental performance standards—H.R. 25 provides for exceptions to specific environmental performance standings relating to spoil placement, backfiling, and other specific standards. Notice and a public hearing are required before such exceptions may be granted. (Section 55(c))

(c) Bond Release—After notice through newspaper advertisement, an operator may apply for a full or partial release of his permit bond. Upon the filing of objections to such release by any person with a valid legal interest, the regulatory authority must hold a public hearing on the matter. (Section 519)

ENFORCEMENT

(a) During the interim program, the Secretary is directed to implement a program of Federal inspections to enforce the Federal interim standards. Upon the receipt of any information which may be furnished by any person, and which gives rise to a reasonable belief that the interim standards are being violated, the Secretary is to order the immediate inspection of the alleged offending operation. The person who provides the Secretary with the information is to be notified as to the time of the inspection and may accompany the inspector during the inspection. (Section 502(f))

(b) A provision similar to that described immediately above is operative after the interim period. (Section 521)

The Committee is aware of the concern of some that a relatively open administrative and judicial procedure will allow the participation of individuals with little or no real interest in the issues involved in such proceedings. On the other hand, limiting access to those who have purely economic, or proprietary interests would certainly frustrate the Committee's desire that surface coal mining and regulatory processes be responsive to local citizens and other individuals or groups who have a legitimate stake in the outcome of these governmental actions. The history of coal surface mining is replete with examples of significant environmental and social costs being borne by those who neither profited from the mining activities nor had full access to the institutions of government to correct this unfair distribution of the impact of such mining.

The Committee bill adopts a broad test of standing to participate in such critical decisions as the issuance of a permit, designation of areas unsuitable for surface coal mining and bond release. It is the intent of the Committee that the phrases "any person with a valid legal interest" or "any person having a right which is or may be adversely affected "shall be construed to be coterminous with the broadest standing requirements enunciated by the United States Supreme Court. The Committee is of the belief that the implementation of these principles shall suffice to protect the administrative processes of the Act from possible abuse by individuals whose interest in the questions at issue do not justify granting them the right to invoke the Act's procedures.

The bill also provides for the establishment of the rights of citizens to bring an action against any person, including the appropriate regulatory authority, for the enforcement of the Act as well as actions for damages resulting from the failure of any operator to comply with the provisions of the Act.

The Committee is also aware of the concern expressed by some that the citizen suit provision will encourage the commencement of frivolous suits brought by those who oppose all strip mining. Obviously, judges are quite capable of dismissing frivolous suits early in the proceedings and further protection is available as the judge may require the filing of a bond or equivalent security if a temporary restraining order or preliminary injunction is granted.

Mr. Chairman, one of the most effective and able Members of this legislative body is the distinguished gentlewoman from Hawaii (Mrs. MINK), who chairs the Subcommittee on Mines and Mining of the full Committee on Interior and Insular Affairs. With the gentlewoman from Hawaii I have had the responsibility over the last 2 years of developing surface mining legislation. It has been a great source of pride and satisfaction to me to have this association, and I yield such time as she may consume to the gentlewoman from Hawaii (Mrs. MINK).

Mrs. MINK. Mr. Chairman, I want to commend my colleague, the gentleman from Arizona (Mr. UDALL) for his leadership in developing this legislation. It has been my great pleasure to have been serving, also, as chairman of the Subcommittee on Mines and Mining as the gentleman has noted.

Mr. Chairman, the House has labored for many years to perfect the Surface Mining Control and Reclamation Act of 1975. I believe we have finally succeeded despite many delays in hammering out a piece of legislation whose passage would be a real credit to this Congress.

Before proceeding to consideration of this bill, it might be well to recapitulate the long and tortuous legislative course it has followed. Surface mining has been a matter of concern to Congress for many years. The first hearings were held in the 90th Congress. No bills were reported during the 90th and 91st Congresses. The House of Representatives passed a bill (H.R. 6482) in October 1972, but the 92d Congress adjourned before the Senate had completed consideration of the House bill or of its own bill, S. 630.

In the 93d Congress, the House Interior and Insular Affairs Committee devoted a major portion of its attention to a large number of surface mining bills. There were 6 days of hearings in 1973, and on May 14, 1974, the committee reported out H.R. 11500. Floor debate began on the companion bill—passed by the Senate on October 9, 1973—and continued for 6 days prior to passage on July 24, 1974. A protracted series of 18 conference meetings resulted in eventual agreement on December 3, 1974.

The House then failed to pass the conference report under suspension. On December 13, 1974, the bill passed the House on a voice vote, the Senate following suit on December 16. After the adjournment of Congress, President Ford "pocket-vetoed" the bill on December 30, 1974, citing various adverse economic impacts which he judged the bill would cause.

Shortly after the advent of the 94th Congress, the President submitted a list of some eight "critical" and 19 noncritical amendments which he cited as necessary for improvement of the bill. H.R. 25 had been submitted in nearly identical form to the bill he had vetoed. The Interior and Insular Affairs Committee, believing that in light of extensive consideration which had been given to S. 425 in the last Congress, needless delay would result from following the normal routine of subcommittee referral, hearings and full committee markup in addition to subcommittee markup sessions, adopted a resolution dispensing with formal hearings and subcommittee consideration. Instead, the committee received benefit of a presentation by the Secretary of Interior and the Administrator of the Federal Energy Administration, who had been invited to submit their recommendations and amendments. Also invited to appear before the committee were the Secretary of the Treasury, Secretary of Commerce, Chairman of the Council on Environmental Quality, and the Administrator of the Environmental Protection Agency and the Director of the Office of Management and Budget. However, none of these officials chose to accept the invitation.

Three days of markup sessions were held following these presentations, at the conclusion of which the committee voted 29 to 11 to report H.R. 25 to the House as amended.

Mr. Chairman, H.R. 25, contrary to claims made by the President and others, is not a bill which will throttle the coal industry. It has been carefully, even painfully, designed to prevent any undue slowing down of coal production. The estimates of coal production losses which have been bandied about—and no doubt will be repeated on the floor today—have little substance. Although Mr. Zarb, during his appearance before the committee, was questioned closely about the methodology which was employed in deriving the figures which had been quoted by the President, he was unable to produce any reliable basis for those estimates. All we have to go by is wildly fluctuating guesses as to how many operations might be affected adversely by a given provision of the bill. There is absolutely no hard evidence behind these conjectures.

Nevertheless, the administration has conjured up the specter of hundreds of citizen suits tying up thousands of coal mining operations. Where is the indication of this happening? There is none. In Ohio, which has citizen suit provisions comparable to those in the bill, there has been no rush to the courts. Similarly, the bill's performance standards for steep slopes are said to be prohibitive—they would ban mining on slopes over 20 degrees. In fact, there are strip mine operators in West Virginia and in Pennsylvania right now who are keeping their spoil on the bench, are covering their highwalls and are complying with other important provisions of these standards. There is every reason to believe that strip mine operators, with proper planning and foresight, can comply with these requirements and in many cases reduce their costs into the bargain.

Far from putting a crimp in coal production, this bill will stimulate the industry by removing the cloud of uncertainty and conflict which has prevented its progress toward the President's goal of doubling production by 1980. H.R. 25 will establish the ground rules for rapid and orderly development of our vast coal resources. It will assure that coal costs which have been imposed upon the people of coal-producing regions will be equitably distributed among those who benefit most directly from the production and use of coal: All this, we must all agree, is only just.

There is no question that the industry today can bear its fair share of those costs. The profits of the coal industry have skyrocketed in the past few months, with no apparent relationship to the far slower increase in costs of production. A recent study was issued by the American Public Power Association and is quoted on pages 71 and 72 of the committee report. It depicts graphically how coal profits have broken free of the usual supply-demand factors and have soared into the stratisphere under the impetus of monopolistic forces. It is therefore no longer credible for the coal industry to claim that reclamation costs will be insupportable.

Neither is there any justification for the passing along of these reclamation costs, which are estimated to amount to around 85 cents per ton at most to the utilities and the users of electricity. Coal profits can and should absorb such costs as a normal part of production. If other States will follow the recent example of West Virginia, whose legislature has just enacted a law requiring public hearings and full disclosure of all the relevant facts, perhaps we shall see an end to the unconscionable passthrough of exorbitant coal prices by means of the automatic fuel adjustment clauses. It is this automatic passthrough allowed by State law, which has encouraged the rapid escalation of electricity rates across the country, and contributed to the unprecedented rise in coal profits.

Mr. Chairman, H.R. 25 contains strong provisions for Federal enforcement, environmental protection, citizen suits, and public access to information concerning surface mine operations. I am pleased to report that despite the vicissitudes, these vitally important provisions have been retained almost in their entirety. These aspects of the bill are important, because the past record of State regulation of surface coal mining has been lamentably deficient in enforcement, environmental protection, and citizen participation. This bill will open up the process of decisionmaking to the scrutiny of those whose lives and properties will be most adversely affected by the coal operations, giving them the opportunity to monitor and if necessary, challenge the adequacy of regulation.

At the same time, the bill will assure ample opportunity to every State to establish its own regulatory system, so long as the minimum Federal performance standards are enforced. The bill sets up a uniform and equitable procedure for the extraction of coal now so essential to the security and the well-being of our citizens. In so doing, the bill would prevent the imposition of unconscionable costs upon individuals and upon regions who historically have been the victims of strip mining. In my opinion, Mr. Chairman we have achieved this objective.

Allow me to review very briefly the major provisions of the bill as amended by the Interior Committee, incorporating four of the President's eight critical changes along with several others which he deemed less essential:

First. Implementation: H.R. 25 allows the States 18 months within which to submit regulatory programs for approval by the Secretary of Interior. During the interim period, all coal surface mines would comply with the provisions of a special program. Interim environmental standards would relate primarily to spoil placement, approximate original contour and hydrology. Except for operators who have failed to receive a decision on their application for a permit due to administrative delay, all operators must obtain a permit in full compliance with the approved State or Federal program within 40 months after enactment of the act.

Most important, the Secretary is given

full inspection and enforcement powers during the interim period, pending the approval of State promulgation of Federal programs.

Second. Variances: The bill provisions allowing mountaintop removal operations with specific reshaping and internal drainage requirement and imposing qualifications concerning the industrial, commercial, residential, or public facility developments for the postmining land use. Offsite spoil placement with strong stabilization requirements has been allowed. Also, recognizing that wherever there is either too much or too little spoil to return the site to its approximate original contour, some alternative spoil placement provisions are allowed, but the mined area must be blended into the surrounding terrain, and conform to the drainage pattern.

Third. Enforcement: H.R. 25 makes available to the Secretary the full range of sanctions against operators who are in violation of interim environmental standards, providing the kind of tough no-nonsense enforcement of the minimum Federal standards which citizens can and should expect from the Federal Government in implementing this act.

Fourth. Designation of areas unsuitable for coal surface mining: Certain areas are inherently unsuitable for surface coal mining. Among these areas, the bill listed the national park system, the national wilderness preservation system, and the national forests, and alluvial valley floors. Only where the regulatory authority finds that an alluvial valley floor is significant for present or potential farming or ranching operations due to its subirrigation effect, would such a ban apply.

States would establish a process for designating other areas as unsuitable for coal surface mining by responding to petition in making a review of specific areas. Such designations would be mandatory wherever reclamation pursuant to the act is not feasible. Thus the regulatory authority would be given considerable latitude in determining unsuitability.

Fifth. Noncoal mining unsuitability designation: The Secretary is authorized to review Federal areas upon the request of the Governor of any State or upon petition of a citizen presenting allegations of fact. He could designate an area unsuitable for noncoal mining where the land use is predominantly urban or suburban in nature and where possible damage would result to important historic or environmental values.

Sixth. Special bituminous coal mines: We freely acknowledge that some of the act's environmental standards might be impossible to enforce in cases where there is an open pit configuration, without closing the mine.

H.R. 25 includes a provision requiring that these "special bituminous coal mines" would not be exempt but would be subject to variation from the spoil handling, regrading and drainage requirements of the act, at the Secretary's discretion.

Such mines are defined so as to limit eligibility. The special environmental controls which the Secretary would be authorized to impose for such mines would apply only to existing mine pits which have been producing coal in commercial quantities since January 1, 1972.

Seventh. Anthracite coal mines: In a comparable case of considering special geological and operating conditions, the bill contains an exemption for anthracite coal mines. State regulation for anthracite mines are allowable in lieu of the act's interim performance standards, permanent performance standards, and bond limits and liabilities. However, all other provisions of the act would apply.

It is understood that the exemption will apply effectively only to Pennsylvania, where unique problems relating to the environmental protection provisions of the act have been documented. Furthermore, it was understood that the Secretary would be empowered to enforce special regulations and the other provisions of the act should the State fail to do so. The requirement upon the Secretary to report biennially to Congress concerning the effectiveness of the State regulatory program, beginning on December 31, 1975, was incorporated to assure that the purposes of the act will not be circumvented.

Eighth. Alaska study: Coal surface mining in Alaska has been viewed as another peculiar regional situation justifying special treatment in the House bill. The Secretary of Interior, in concert with the National Academy of Sciences-National Academy of Engineering, would conduct a study to result in proposed regulations appropriate to the physicial and climatic conditions in which surface mines in Alaska operate. During the study, provisions of the act would not apply.

Mr. Chairman, it is evident, as in the instance of exemptions applying to Alaska mines, to special bituminous coal mines, and to anthracite coal mines, that the committee has striven to achieve language in the bill which will place responsibility on the Secretary to insure environmental protection in special situations where the arbitrary shutting down of long-established surface coal mines might result in the loss of significant coal production and miners' jobs. I draw attention to these cases to emphasize the care taken in formulating this bill, that the National's coal needs would not be jeopardized thereby.

Ninth. Indian lands: In the matter of Indian lands, the bill calls for a study of regulating surface coal mining on Indian lands. The Secretary would enforce provisions at least as stringent as those of the environmental protection standards of the act, according to the same time frame as that applying to the States, with all operations on Indan lands in full compliance within 30 months of enactment.

Tenth. Mining and mineral resource research institutes: Of great significance in the matter of improving the quality of mining technology and manpower, Mr. Chairman, was the adoption of title III, a provision which would establish State mining and minerals resources research institutes. The bill calls for a two-tier funding system, and schools of mines are to be included in the categories of institutions which would be eligible for funding as institutes.

In the approved version, each participating State will receive $200,000 for fiscal year 1975, $300,000 for fiscal year 1976, and $400,000 for each fiscal year thereafter for 5 years, as in the House bill. The Secretary is also authorized to expend $15 million in fiscal year 1975, that sum to be increased by $2 million each fiscal year thereafter for 6 years to be used for specific mineral and demonstration projects and industrywide application and other projects carried out by the institutes.

The main purpose of the program is the training of mineral engineers and scientists. Contrary to the claims of the administration, there is no comparable training program at the Federal level. Some 35 States are estimated to be in line for qualification under this title.

Eleventh. Abandoned mines reclamation programs: The committee, cognizant of the enormous environmental and social damage left by past surface and underground coal mining, provided programs for the reclamation of previous ly mined lands, to be conducted by the Secretary of the Interior and the Secretary of Agriculture. Funded by a fee of 35 cents per ton for surface mined coal and 10 cents per ton for underground mined coal or 10 percent of the value of the coal at the mine—whichever is lesser—50 percent of the revenues derived in any one State or Indian reservation are to be expended by the Secretary of the Interior in that State or Indian reservation for the purpose set forth in the title.

This program, Mr. Chairman, will place the responsibility for funding a long-overdue program where it belongs—on the shouldlers of the coal industry. As I have already remarked, with the astronomical rise in coal prices which we have seen in the past few months, that should prove to be no great burden. Pass-through costs to users of electricity will be minimal. Without such long-range funding, it is very doubtful whether any truly effective reclamation program can be launched.

Twelfth. Unemployment compensation: In order to cushion any regional or community impacts in high density mining areas such as rural Appalachia, the bill originally contained provisions allowing extended unemployment assistance and relief for individuals who lost their jobs through administration and enforcement of the act. Due to objections from the President concerning the possible inflationary effects of this program, the committee deleted this provision.

Thirteen. Surface owner protection: Lastly, Mr. Chairman, the peculiar legal ramifications of coal deposits where title has been retained by the United States and the surface rights were held privately was nearly the undoing of the conference committee in the 93d Congress. A great deal of this coal must be extracted by surface mining methods. The consequent disruption and dislocation of ranchers and farmers in the Western States pose complex questions of equity and social justice. Coal belong-

ing to the people of the United States should not be locked up, nor should those owning the surface above that coal reap outrageous profits for giving their consent to surface mine the coal, nor should the surface owner be deprived of a compensation truly commensurate with his losses, in exchange for his consent.

The surface owner's consent has been legitimized, but in so doing, the bill delimits those qualifying as surface owners in terms of residence, income and means of livelihood, so as to extend protection to ranchers and farmers, and exclude the speculatory. In order to encourage the qualified surface owner to give his consent—without which the Secretary may not lease the coal under his land—a generous formula for compensation was devised. It is based on fair market value of the surface, costs of dislocations, loss of income, damages, and an additional bonus of not more than $100 per acre.

The Secretary, who alone may negotiate with the surface owner for his consent, is made subject to a moratorium on the leasing of any split-fee Federal coal, extending from date of enactment until February 1, 1976. This is to allow Congress a period of time in which to reconsider and if advisable, modify these provisions. The Secretary is to report back to Congress at the end of 2 years following enactment, as to acreage and other factors affecting these provisions, and give his views concerning the impact of availability of Federal coal and the receipt of fair market value.

A penalty clause is incorporated to discourage any side deals between the surface owner and the operator attempting to circumvent the statutory limitation on compensation to the surface owner. Section 716 also imposes upon the Secretary the requirement that he shall "in his discretion by to the maximum extent practicable" refrain from leasing Federal coal underlying lands held by surface owners, as defined.

Mr. Chairman, the task of arriving at a compromise on the protection of the surface owner is indicative of the difficulties which the committee and the conference committee before it faced in striking a proper balance. The bill recognizes our national interest in surface mining Federal coal; it recognizes the just demand of the rancher and the farmer for protection from the destruction of food-producing land; it also recognizes, through the mandatory competitive bidding procedure, the right of the public to be adequately compensated.

I am confident that the bill before us today is sound legislation, a balance of the economic, social, industrial, environmental, and national security factors which have been brought to bear during the past years when Congress has actively considered this legislation. This is an eminently fair bill, Mr. Chairman. I am proud to be associated with H.R. 25, for I believe it will accomplish what all of us ardently desire—the extraction of coal without the subjugation of people whose environment is unavoidably disrupted.

I respectfully urge the passage of this bill, Mr. Chairman.

Mr. SKUBITZ. Mr. Chairman, although I support this legislation, I do so with reservation. It is not a perfect bill, it could be considerably improved. I hope the House will adopt a number of the amendments now pending at the desk.

The President sent us a letter at the beginning of this Congress outlining specific objections to H.R. 25. I listed 8 constructive changes and 19 important changes to make the bill acceptable in view of our current energy shortage. I hope we can concentrate on the adoption of most of those changes.

We certainly do not want a bill that will stop or hinder the production of coal, this Nation's most abundant natural resource. Many are of the view that this bill, as reported, will do just that. I do have specific objections which I hope can be cured through amendment.

First, I do not feel the reclamation fee of 35 cents per ton on stripped coal and 10 cents per ton on deep mined coal is fair. I believe this fee is much too high and will raise far more revenues than are needed to reclaim abandoned lands. I would like to see the fee dropped to 15 cents on strip mined coal. I believe this amendment will be sufficient to reclaim only abandoned stripped lands.

The reason for the higher fee, the committee thought it wise to bring in sufficient moneys to pay for socioeconomic benefits. This included construction of highways, schools, public facilities, and even housing rehabilitation for affected miners. Now I ask you, why are we meddling in areas totally unrelated to the mining of coal.

These higher fees as suggested in the committee bill will be passed on to the consumer. As a result the users of electricity in your State will be paying for the construction of roads and public facilities in a State like Montana where we might reasonably be expected to obtain our coal. This should not be, it is not the case now and I do not believe we should establish the precedent here. Let us lower the reclamation fee to 15 cents across the board.

Mr. Chairman, I am also very much concerned that the citizens suits section of H.R. 25 creates the possibility of damaging individual rights where such a result is not needed to properly enforce the bill. As reported, H.R. 25 permits citizen suits against mine operators even though the operator is in full compliance with a permit issued by the regulatory authority pursuant to the act. The result is liability without fault.

Such a result is not necessary. The act can be fully enforced through actions against the regulatory authority. The defense of sovereign immunity is not permitted the regulatory authority in these actions. Thus, a citizen who feels the act is being violated even though the mine operator is in compliance with his permit, must charge the regulatory agency for an improperly issued permit. The liability springs from the fault.

The language suggested by the administration eliminates the potential for liability without fault. It does not shield the mine operator from actions properly arising from a violation of his permit. It allows for the proper enforcement of the act without disruption of the limitations on personal liability. I hope the language is adopted on the floor.

These are only two of the changes I believe are necessary to make this a workable piece of legislation. If the amendments now pending at the desk on citizen suits and changing the reclamation fee are adopted, we will have a much better bill. I urge my colleagues to consider them fairly and in an atmosphere of negotiation and understanding. I do not want to believe, as rumor may have it, that the decisions on whether to accept or reject amendments have already been made prior to their debate here.

The CHAIRMAN. Does the gentleman from Arizona wish to yield time?

Mr. STEIGER of Arizona. Mr. Chairman, the gentleman from Michigan (Mr. RUPPE), the ranking minority member of the subcommittee will have control of the time and will be the leadoff spokesman for this side.

Mr. RUPPE. Mr. Chairman, I yield to the gentleman from California (Mr. LAGOMARSINO) such time as he may consume.

Mr. LAGOMARSINO. Mr. Chairman, I thank the gentleman from Michigan for yielding.

I will not at this time take the opportunity to speak on the bill but I would like to take the opportunity to announce to our colleagues in the House that our colleague, the gentleman from California (Mr. BARRY GOLDWATER, Jr.), has just become the father of a baby boy. I know our colleagues will want to join in congratulating him and his wife, Susan. Incidentally, his wife Susan and the baby are both doing well.

Mr. RUPPE. Mr. Chairman, I yield to the gentleman from California (Mr. DON H. CLAUSEN) such time as he may consume.

Mr. DON H. CLAUSEN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I strongly support passage of this legislation. In my opinion, there is a definite need for it. A number of areas need perfecting, but I am confident that this will be accomplished through the amending process.

As the ranking minority member of the Flood Control Subcommittee, I was called upon to visit the disaster area in Buffalo Creek, W. Va. This made a lasting impression on me as it was clear to me that the disaster occurred as a result of inadequate State regulation over the coal mining operations in that area. It resulted in a number of lives lost and in my view it was truly an unforgiveable situation.

This legislation will establish very strong environmental standards. As I have stated in the past and as my colleagues have stated today, the basic criteria is that we must insist on the full and complete reclamation of mined lands. At the same time, we must prevent the mining of those lands which, for one reason or another, cannot be reclaimed.

In addition, the bill requires that lands be returned to the approximate original contour and requires they be covered by vegetation. The land must come as close to resembling its premining appearance as possible. It is important to

point out that this requirement is not intended to require restoration of mined lands to their original elevation, but to a similar configuration.

In all candor, I regret the fact that this legislation is necessary at all. Had the States moved forward and adopted their own surface mining legislation, the Federal Government would not have had to involve itself in this legislative effort.

Even so, the States under this legislation still have the opportunity to develop their own plan—one that they can live with. The Federal Government will only intervene when the basic minimum standards of this legislation are not adhered to.

Essentially, it is directed toward protecting against landscape devastation by an irresponsible operator.

I would like to commend my colleague (Mr. RUPPE) on his leadership in providing a section of the bill dealing with research, training, and skill development programs in the mining industry.

It is generally understood that the basic reasoning behind this legislation at this time is to have these surface mining standards established in advance of the upcoming accelerated effort that is going to be required in order to permit coal production to give us the badly needed alternative energy source.

The expanded use of coal is a key immediate energy source needed to avoid the problems of the threatened oil embargo and to move us toward energy self-sufficiency.

One of the provisions of the bill which I feel strongly needs amending is the 35-cent-per-ton reclamation fee. Based on very careful research, it appears to me that a fair fee structure would be a 10- or 15-cent-per-ton fee.

Many people are concerned about increasing costs of energy. Some estimates are that passage of this bill in its present form might increase the cost of electricity in those areas utilizing coal by as much as 15 percent.

For this reason, I am making a strong plea to all Members to seek a ways and means through the amending process where we can pare down any possible increase to the consumer. If we reduce the 35-cent-per-ton fee to 10 cents per ton, it would have an appreciable effect on the ultimate cost to the consumer.

In conclusion, I recommend enactment of this legislation. As I have said, there are a number of areas which we can perfect by way of amendments but the approach taken by this bill is sound and equitable. I urge my colleagues to support it.

Mr. RUPPE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 25 and I wish to compliment all those on the committee and the subcommittee who worked so hard to bring this legislation to the floor today, it is essentially good legislation and on balance, I strongly support it.

I might say at the present time the bill the House has before it was essentially the conference report of the 93d Congress. There have been some changes over last year's version but the bill remains essentially a strong compromise that will alter mining practices in the Eastern mountains where decades of abuse have left hundreds of thousands of acres useless and will protect the West, but it will not stop the spread of responsible coal mining in either of these two settings.

There are some who would wish to stop strip mining altogether but the fact is that this country cannot afford to take that course of action. I would not go so far as to say it would be a question of suicide in terms of pressure on our energy resources, but certainly it would be debilitating to say the least to take that course of action. Others would have us do little to alter the current practices of mining on mountain sides and even less to assure that surface mining will not harm our Western States. Most of us have seen either personally or by way of photographs the devastation which has been left by irresponsible and uncontrolled strip mining. If nothing else it was these sights that provided the impetus for legislation such as H.R. 25. We simply cannot allow these practices to continue.

In my judgment H.R. 25 strikes a balance. It allows strip mining but only if the land will have been reclaimed and the eyesores of the past are not perpetuated or repeated and only if we can insure that the mined land can continue to serve man in a useful and beneficial way.

We have tried to protect our precious environment but in a way which will not hinder either the immediate requirements for energy needs or the requirements in the not too distant future.

Granted, we are consistently and constantly seeking new forms of energy. In my opinion, one of the most important pieces of legislation which the Congress passed during the past session was the Energy Research and Development Act, the very title of which implies that we recognize that we must search for alternative sources of energy. We cannot assume the scientists will be able to invent or perfect new energy techniques tomorrow or even in the next decade but we must adequately meet our requirements. Therefore we must assume we will need the coal we have in the East and in the West as well.

I would like now to address two points of contention. One is raised by those who would have us not regulate the practice or at the most on a minimum basis.

Some have said that it is impossible to reclaim land after it is stripped. Oh, they say you can throw some topsoil on it, plant some grass, but it is never going to resemble the same configuration or serve a useful purpose. From my view, that is simply not a true statement. During some of my field trips to Ohio and Pennsylvania the Interior Committee saw reclaimed lands—lands that had contour, that were green, that looked like they belonged.

I personally remember talking to a farmer, I believe it was in Ohio, who stated his farm was more productive after reclamation and after mining than prior to strip mining. For example, he indicated the water draining was far superior. We must also remember that reclamation techniques are constantly being improved, so if what we have now can do the job. reclamation will be even better in a few years. I personally reject arguments to the contrary as pure scare tactics.

I also reject as scare tactics that enactment of this legislation will result in substantial losses in terms of coal mined.

At this point, I will insert in the RECORD a short chart I have prepared illustrating the effects of the Ohio and Pennsylvania laws regulating strip mining:

COAL PRODUCTION

State and year	Number of operators	Surface coal production (in million tons)
Ohio:		
1971	267	38.5
1972 [1]	271	34.6
1973	207	29.6
1974	377	30.6
Pennsylvania:		
1971	584	28.5
1972 [2]	677	26.5
1973	830	30.2
1974	846	42.0

[1] The law took effect in April 1972. 1972 figures affected by a 1-month strike in January.

[2] The law took effect in January 1972. 1972 figures affected by a 1-month-long strike in January.

These figures show that, indeed, there is an initial lapse in production. However, it should be pointed out that neither of these States' statutes provided for an interim period, as does H.R. 25, with relatively relaxed environmental standards and administrative procedures, so that the full implementation could be eased into. These figures do indicate that production began to rise again after the first year. If the 1972 figures seem too low, perhaps it should be emphasized that in that year there was a month-long strike in the coal industry.

The figures also show an increase in the number of coal operators. In Pennsylvania, the year before enactment, there were 583 operators. However, in 1973, the year after enactment, there were 830 operators, or almost a 50 percent increase. My interpretation of these figures is that coal surface mining laws would not significantly hurt production—that once the industry knows the regulations and starts to work in accordance with them, production will definitely and absolutely rise. By the very fact that there has been a substantial increase in the number of operators, goes to show that the industry can live with the regulations and still make a profit.

I can assure this House that these new operators did not go into the business because they had nothing better to do. I am sure the profit motive was very much in their minds.

Also, in terms of coal production, I would think that the present uncertainty of the situation must have some effects on present operations or those which are scheduled to begin in the immedi-

ate future. I cannot help but think that the industry would be hesitant to initiate openings in anticipation of this legislation. They know they are going to be regulated. They just do not know exactly how.

I would caution that I do not expect coal production to take a dramatic leap immediately after enactment. While the uncertainties of the present situation would be clarified, this is but one fact influencing production. Others having a great impact would seem to be the question of the allowance of the use of high sulfur coal, the problems of transporting mined coal, the availability of trained mining personnel, and this country's economic situation in general.

I would now like to switch directions. One of the most personally frustrating aspects of my prolonged relationship with this, and prior, strip mining legislation has been that those of us who have tried to strike a balance—who have insisted that strip mining could be done in a responsible manner—have always had to be on the defensive. We have been damned from all sides. We constantly heard that we had gone too far there or not far enough in another place. I think we can probably pat ourselves on the back because the criticism is coming from both ends of the spectrum. I think this indicates that we have struck the balance we were after all along. But, I, for one, am tired of defending. The supporters have spent most of their time answering the charges of those in opposition. Maybe this is only natural because it is a controversial matter. But, I would like to reverse that now, if just for a moment, and talk about what is good about H.R. 25.

The most obvious "good" point is that we have written some tough environmental standards into this legislation. The prime example is that if land cannot be reclaimed, it cannot be mined. That is a pure and simple statement of fact that is explicit in this legislation. Also, we insist on elimination of high walls. We prohibit the placement of spoil on the downslope. We insist on vegetative cover.

However, we plainly realize that the lands which will be mined vary in terms of their physical characteristics, and as a result we have provided rational flexibility. We do not mandate that the mined land be returned to exactly the same shape as it was prior to mining. What the committee has obliged operators to do is to return the land to its "approximate original contour." It should be emphasized here once again, as I have attempted to do many times in the past, that "approximate original contour" does not mean that the land must be returned to original elevation. This would be patently ridiculous in the case of a thick seam of coal covered by a relatively thin stratum of overburden. When this coal is mined, it will create a depression that could not be returned to the original elevation without hauling an enormous amount of materials from some other location, there by creating a similar depression elsewhere. Therefore, the committee bill requires that the coal operator regrade the mined area inside and around the perimeter of the mined area so that the depression blends into the surrounding terrain, and that within the mined area, the surface of the land "closely resembles" its premining configuration.

This is a rational, reasonable, but, frankly, a tough standard that does not require the impossible.

A second good point of this legislation is that it is a State-lead bill. Each State which has, or expects to have, coal surface mining operations is provided 18 months after enactment to submit a State program to the Secretary of the Interior for approval. This is not the Federal Government dictating to the States what they must or must not do. It is only when the State fails to submit a program, or when it has failed to be approved, or when the plan, or portion thereof, is not enforced or implemented by the States, that the Federal Government may step in with its plans and regulations.

Another significant part of this legislation is that we allow citizen input throughout the process. I personally feel that one aspect of the citizen suit provision goes substantially too far, and I will offer an amendment at the appropriate time to limit this course of action in one instance. We recognize that citizen involvement in the administrative procedures can be a very important check on governmental agencies and will insure that decisions are not made capriciously and that actions are taken with full and complete information.

The committee also recognized the difficulty of imposing our strict standards on the States and on the operators immediately upon enactment of this legislation. On the other hand, we were not going to allow an extended period after enactment in which irresponsible operators could strip free of all regulation. Therefore, we wrote in a very sensible interim program that will give all concerned a period of time to accustom themselves with the new law and regulations but insist in the meantime on a few specific environmental standards.

The final good point which I will address at this point is the recognition by the committee that it is important for us to foster research and training in the fields of mining and minerals. This country has a critical need today for technical personnel in these areas. Michigan Technological University, situated in Houghton, Mich., in my congressional district, is known as one of the leading institutions in the country in the fields of mining and metalurgical engineering. However, at the present time, Michigan Tech is only graduating approximately 40 students per year in these fields, and does not even begin to meet the industry's needs. This country must respond to the urgent needs of resource development, and, therefore, in H.R. 25 we have established mining and mineral research institutes to train the manpower to meet our future requirements.

Grants will be provided on a matching basis to a school, division, or department which conducts a program of substantial institution and research in mining or minerals extraction. We have placed primary importance on the training of mineral engineers and scientists. We authorize an initial sum of $15 million in fiscal 1975, and increase this figure annually by $2 million—for 6 years. These grants will benefit the mining industry, the environment, and society in general. Aside from our environmental standards, I personally consider this one of the most important, long-range aspects of this legislation.

I would conclude by saying that the coal industry stands at the brink of an era in which it can, must, and will make significant contributions to the Nation's energy supply picture—more now, I would say, than ever before. But at the same time, we are in an age of environmental awareness and respect. These two facets of our present-day circumstances are at times at odds with each other. We, the Congress, must step in and provide the machanism whereby cooperation is mandated. We must set the environmental ground rules for the coal industry's expansion. These ground rules should assure that the natural environment is protected to the greatest extent feasible without cramping unnecessarily the necessary operations.

I think H.R. 25 accomplishes this. I do not pretend or do not believe that H.R. 25 is perfect legislation.

In fact, I would like to take just a moment to talk about the surface mining fee, and I would like to take a minute to indicate in my opinion that this 35-cent fee on surface mined coal is a completely unwarranted burden on the taxpayers of this country at a time when coal prices are as high as they are today. I think that we in the Congress should be cognizant of every penny we impose upon the taxpayers and consumers of this country. I think that we have to be absolutely sure that any charge levied upon them is indeed warranted. If reclamation of the land does mean a little higher price for coal, in my opinion it is necessary and should be paid. But the fee of 35 cents on surface mined coal per ton is outrageous because these funds can be used for purposes other than reclamation orphaned lands. It has been stated in the past that these moneys could be used for housing construction. This is not true, as there is a flat prohibition against this type of use in the bill. They can be used for the construction of public facilities and other improvements, such as sewer and water extensions. No matter how you slice it, in my opinion, this is a type of pork barrel provision. I think a 10-cent across-the-board fee is adequate to reclaim the abandoned lands. If it is not, we can increase it in subsequent sessions of this Congress.

But I think the American people at this time cannot afford to have us expend great sums of their money unless it is absolutely proven to be necessary.

Mr. Chairman, I would like to state, in conclusion, that I will be supporting certain modifications of this legislation which I feel we need and which are necessary to be made. However, because it is workable legislation, I intend to sup-

port this legislation on the floor when it comes to final passage.

I would like to say again it is not, as some would indicate, an industry bill, nor, as some would allege, the product of environmental extremism, but it is the best effort of the Committee on Interior and Insular Affairs to bring us legislation on an extremely complex issue.

Mr. Chairman, I believe that the members of the subcommittee, the members of the full committee, my colleague, the gentleman from Arizona, and my colleague, the gentleman from Hawaii, have done an excellent job in preparing this legislation and in bringing it to the membership of this House.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. RUPPE. I yield to the gentleman from California.

Mr. KETCHUM. Mr. Chairman, I thank the gentleman for yielding.

I was most interested in the gentleman's statements, because, as he recalls, I toured the coal mining areas with the gentleman in the well last year.

The gentleman mentioned a farmer in Ohio, I believe it was, and he pointed out the fact that this farmer had indicated that his crops were even better on this reclaimed land.

Would the gentleman indicate for the RECORD that this man was farming under a State law, that there had been no Federal regulations and it seemed to be working extremely well?

Mr. RUPPE. Mr. Chairman, I certainly want to indicate that this man came from Ohio. There should be no question about this fact and it should be brought to the attention of the Members of this House that he was operating under a State law.

In fact, I think Ohio and Pennsylvania are both exemplary instances of the type of legislation which, if enacted throughout the country, would have precluded the necessity for our being on the floor here today. I regret to say that there is a wide number of States that have not done as good a job as either Ohio or Pennsylvania have succeeded in achieving.

I certainly would say to the people of those States and indeed to their legislatures that they have done a superb job in developing, in both instances, State legislation which is completely on target and which does a very fine job of protecting environmental standards and values in those States.

Mr. Chairman, I thank the gentleman from California for his comments.

Mr. UDALL. Mr. Chairman, I yield 5 minutes to the gentleman from Montana (Mr. MELCHER).

Mr. MELCHER. Mr. Chairman, there is a time to sow and a time to reap.

The Creator caused the formation of the coal in rich deposits in the West and particularly in my State of Montana. There are 106 billion tons—42 billion is strippable. The highest of any of the 50 States.

If now is the time to reap the rich harvest of coal in the West and to do so by stripping the land from the veins of coal 20 to 70 feet thick, westerners must insist that the full force of Federal law require these minimums:

First. No strip mining where reclamation cannot be guaranteed to bring the land back to as good or better condition and production as it was before mining—absolute enforcement to bring the land back to complete reclamation;

Second. Water, whether it is on the surface or underground cannot be diminished, diverted or in any way altered that is detrimental to those of us in the West, to those of us who depend on it as if it were our lifeblood;

Third. The rights of the landowner to which the mineral estate has been retained by the Federal Government must be recognized and guarded. The landowner must have the prerogative to say "no" to the mining of the federally owned coal, and if on the other hand the landowner agrees to the mining, he must be compensated adequately for his losses;

Fourth. There is a Federal responsibility for social impacts and social needs for schools, roads and health care for people in sparsely settled areas where there is rapid population growth due to energy development; and

Fifth. Indian tribes must be given the opportunity to evaluate proposed coal strip mining operations on their reservations and assured the rights of stronger provisions of their own determination in reclamation on their own reservation lands.

This bill meets these five minimum requirements and in none of these areas can we of the West stand to have the requirements lowered. We must say, "Hands off" to weakening amendments.

Mr. UDALL. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin (Mr. BALDUS).

Mr. BALDUS. Mr. Chairman, I would like to give vigorous support to the amendment by Mr. MAZZOLI to allow colleges and universities with substantial mining and research curriculums to qualify for coal research funds.

It seems grossly unfair to have the qualification for these funds rest on the number of faculty persons employed and the title of the institution. The distinction should be made rather on the scope and quality of the institution's program. This, I submit, can be determined by curriculum offerings, research contributions and historical contributions of alumni.

The fact that a university does not have "a school of mines, division, or department" and that it employs one, two, three, or four full-time faculty persons rather than five or more should not be the determining factor.

The University of Wisconsin at Platteville has been a respected institution in the area of mining instruction and research for many years. Under the current wording of the bill, this university would not qualify for research funds because it employs only three full-time faculty members in its mining area.

Mr. Chairman, it is my hope that the amendment will be adopted.

Mr. RUPPE. Mr. Chairman, I yield 5 minutes to the gentleman from North Dakota (Mr. ANDREWS).

Mr. ANDREWS of North Dakota. Mr. Chairman, I thank the gentleman for yielding.

I certainly support the legislation. Protection for our environment and protection for the surface holders is there.

I would hope that we can make some amendments to the legislation, however; and I intend to offer that type of amendment to bring about needed equity in the reclamation fee provisions of the act. The present provisions of this legislation call for a straight 35-cent a ton tax or 10 percent of the coal's value, whichever is less.

This type of tax discriminates directly against lignite coal, which has less than one-half the Btu content of bituminous and anthracite coal.

Let me give the Members the figures. For example, the average Btu rank of coal is as follows: Anthracite has about 14,000 Btu per pound; bituminous is 13,100; subbituminous is 9,500; and lignite is 6,100 Btu per pound.

Therefore, the Members can see that on $35 a ton coal, which is the price of a lot of coal, we have a 1-percent severance tax. On $17.50 coal we have a 2-percent severance tax. Yet, in the case of lignite coal, which is valued at about $2.50 a ton because of transportation, water content, and low Btu content, we have a tax that comes close, in this case, to the 10-percent level. Yet with lignite coal which would be taxed at 10 percent of value rather than 1 or 2 percent, it takes more than twice the amount of lignite and far more tax to achieve the same heat content.

This will result in a higher rate of tax on the consumers who use lignite coal for energy, whether it be in the form of electricity, steam, or whatever. It is the Btu heat content of the coal that is important to the consumer, and the lower the Btu value of the coal, the greater the tax, and the greater the amount of coal that must be burned to produce a certain amount of heat.

It is not the coal companies who pay this extra tax; it is the consumer, and I am not talking about the private power companies. I am talking about the rural electric cooperatives owned by those they serve because they are the chief users of this lignite coal.

Mr. Chairman, I have in my hand a letter from the manager of Basin Electric Power Cooperative whose board of directors includes people from Minnesota, Nebraska, Montana, South Dakota, and Iowa as well as North Dakota and who say that they wholeheartedly support the concept of my amendment because they feel it is simple equity to relieve lignite users from having to pay the lion's share of rehabilitating strip mined land that was ravaged 50 years ago." He also points out that the disproportionate tax could have serious consequences on our agricultural economy.

Mr. MELCHER. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from Montana.

Mr. MELCHER. Will the gentleman's amendment specify lignite?

Mr. ANDREWS of North Dakota. The gentleman's amendment does specify lignite, yes.

Mr. MELCHER. The gentleman is speaking of an amendment that would reduce the 10 percent figures to 5 percent at a point where the language refers to all kinds of coal, but if the gentleman's amendment is only with respect to lignite, it would be more appropriate to do what the gentleman is describing by including in his amendment a specific reference to lignite only—not all coal.

Mr. ANDREWS of North Dakota. If I can get the support of the gentleman from Montana by putting in the word "lignite," all right. I have an amendment published in the RECORD that exempts lignite from the tax. I have another one that goes from 10 percent to 5 percent. I have been told by the gentleman on the committee that the 5 percent would only apply to lignite because of the unique character of that fuel. I would like to point that out to the gentleman. But certainly specifying "lignite" will not change my amendment's purpose in any way.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from Arizona.

Mr. UDALL. The gentleman from Montana tells me privately that there are contracts in his State and elsewhere that run in the range of $2 or $2.50 and that are not lignite. The amendment proposed by the gentleman from North Dakota would be much more acceptable to me if he would redraft it to apply only to lignite.

Mr. ANDREWS of North Dakota. This amendment will be redrafted to specify lignite coal because this is specifically what we have in mind.

Actually, we ought to realize that this has a great deal of bearing on the energy crisis, too. The reports tell us that for every ton of lignite we utilize for electricity, we will save 90 gallons of fuel oil.

North Dakota lignite comes from an area of the country where the winter temperatures are often 40 below zero, and we believe that if we can produce electric heat from lignite coal we can save a lot of fuel oil and natural gas which can be better used for other purposes in other parts of our country, but if we indirectly encourage increased use of heating oil by excessively taxing lignite, then we will have detrimental ramifications.

So I would hope that in the interest not only of our area but in the interest of the energy needs of the entire country that this House will support the amendment that I will offer.

Mr. UDALL. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina (Mr. TAYLOR).

Mr. TAYLOR of North Carolina. Mr. Chairman, H.R. 25 is a product of protracted debate at all levels of congressional consideration—in subcommittee, committee, here on the floor of the House of Representatives, in the Senate and in conference. It is also being considered at the White House.

Few measures brought before the House have been given as much attention as this legislation. During the last Congress it was studied in detail by the members of both the Subcommittee on Mines and Mining and the Subcommittee on the Environment. Field trips to inspect some of the Nation's principal surface mining areas and extensive public hearings were conducted.

Last year the Committee on Interior and Insular Affairs met 23 times to consider this bill. I attended every meeting and I felt that most of the time was used in a constructive effort to develop a sound, reasonable bill to present to this House. This year additional hearings were held and amendments were debated by the full Interior Committee.

I congratulate my colleagues, Mrs. MINK and Mr. UDALL, in their diligence, perseverance, and leadership in carrying this legislation to its present stage.

I agree with the objectives of the bill: maintaining our essential stewardship to the land—to leave for future generations a resource base that has at least the same range of uses and potential as the land we inherited. The devastation of large areas of our landscape from past practices of surface coal mining is unconscionable. It has left behind a legacy which has stained both the land and its people.

I agree with the underlying principles in H.R. 25—

That the role of Federal legislation is one of providing a minimum standard of general guidelines to assure a common denominator among the States;

That the principal lead in regulating surface mining activities is to be vested with the States since most regulatory decisions can be made best at State and local levels.

In the next few days we will have the opportunity to review again some major decisions which have gone into this legislation. In this review we must assure ourselves that the approach reached during the last Congress will achieve the objective of proper stewardship to the land and its people—

Without imposing untenable costs of transition in mining practices on society, costs which might be greater than the benefits gained in the interim transition period; and

Without worsening the national economy, nor increasing the burden of unemployment, inflation, and triggering unnecessary increases in energy costs.

In the committee I voted for many amendments, designed to make the bill less objectionable to businesses, industries, and people in need of coal. I tried to help find some reasonable compromises providing for the restoration of mined-over land to productive use in an environmentally sound manner without contributing unnecessarily to the further inflation of coal prices or to the energy shortage. Ours is the difficult job of finding a proper balance between protecting the environment and meeting the energy needs of our people.

I am ready, once again, to listen and participate in the debate over the several features of this legislation—not to defeat the bill or frustrate its purpose—but to assess independently the balance which has been struck and determine if it can be improved by some additional amendments on the floor.

I supported this legislation throughout the last Congress—and I anticipate that I will be able to vote again for its final passage. The time for final action on this legislation has come; its need is clear.

Great growth is expected in the coal industry during the next decade and it is important that this legislation be passed without delay so that the industry will know what guidelines and regulations will be required in the future.

Mr. Chairman, I urge this body to face this important national issue, to debate it—to modify it if it wishes—and finally, to approve a sound course of action. That much we owe to the people, to this generation, and to the generations that will follow.

Mr. UDALL. Mr. Chairman, I yield 3 minutes to the gentleman from Wyoming (Mr. RONCALIO).

Mr. RONCALIO. Mr. Chairman, I do not think that the debate segment of our proceedings today would be complete without an appearance on my part.

First of all, I would like to compliment the leadership of the committee for the second Congress in a row in bringing before the House this bill. I would also like to associate myself with the remarks made by the chairman of the Subcommittee on National Parks, the gentleman from North Carolina (Mr. TAYLOR), who just spoke to the Members, and who is an outstanding and excellent leader of this body, and who has displayed resourcefulness in the preservation of our national lands so that other generations may enjoy our natural resources and still permit surface mining adjoining our forests and parks, but not within the foundations of either.

This all began for me in January 1971, with the chairman of the subcommittee, the gentleman from Oklahoma (Mr. EDMONDSON), with a bill which was mild in all sections compared to what we will be enacting here today. The worst requirement from the company standpoint was the fact that any slope 20 degrees or more should not be mined. We have since modified that provision so that in this legislation slopes 20 degrees or more can be mined if there is no dumping overburdening of the downslope.

In the preceding Congress that just concluded perhaps a year and a half of constant committee work went into S. 425; leadership and sustained devotion by the gentleman from Arizona (Mr. UDALL) and the gentlewoman from Hawaii (Mrs. MINK) gave us a good bill.

All the confusion and distortion and obfuscation that can be foisted upon the parliamentary process with or without Robert's Rules of Order were put upon this committee by certain sundry friends of mine in the other party, and some

here and some gone. I have seen no precedent to equal these delaying tactics in my 30 years of familiarity with House proceedings.

Here we are again. This bill is a good bill. It lets coal companies live. It preserves the land. It requires reclamation. It is the result of the patience of hundreds of lawmakers in both Houses of Congress over many, many months. I commend Members of good will who strive to accomplish a reasonable piece of legislation.

I was asked by the members of the Missouri delegation last fall, specifically Mr. ICHORD and his colleagues, "Why do we need a Federal strip mining bill when all the States have a good strip mining bill?"

The reason we need it in Wyoming is it just happens that 55 percent of the surface of Wyoming is federally owned, and some 75 or 80 percent of the coal deposits that are stripable in Wyoming happen to lie under both Federal surface and non-Federal surface, so that if we are to have jurisdiction to mine the coal we need, we must have Federal legislation to blend with the State law in bringing out the best possible procedures for surface mining.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman yield?

Mr. RONCALIO. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. I thank the gentleman for yielding.

Mr. Chairman, I want to commend the gentleman from Wyoming, who so ably represents a beautiful State, where I visited not so long ago. I commend him for his efforts in connection with this legislation. The gentleman from Wyoming made a very interesting suggestion recently on the floor that there should be a ratio between the underground and strip mining which any company undertakes. I would like to express interest in and support of that concept. As we are escalating the amount of strip mining to over 50 percent, if we continue to escalate at this rate, the amount of strippable coal reserves will be exhausted before the end of the century; am I not correct?

The CHAIRMAN. The time of the gentleman has expired.

Mr. UDALL. I yield 2 additional minutes to the gentleman from Wyoming.

Mr. RONCALIO. I thank the gentleman for yielding.

Let me say to my good friend, the gentleman from West Virginia, whose opinions I respect and whose vote I regret very much I cannot seem to entice for this legislation, that I would like to amend many segments of this bill, but we have now been three years trying to get an act. I am convinced we must now put an act on the statute books. Then let us be about the business of amending over the next year or two, and making the modifications and the adjustments that are necessary.

Then I would very much like to see every company mining coal in Wyoming be required to deep mine 10,000 tons for every 1,000,000 tons they strip mine.

Mr. HECHLER of West Virginia. If the gentleman will yield, I would certainly accept one ton of strip mined coal for 1 million tons of underground coal.

Mr. RONCALIO. That is the usual spirit of compromise that the gentleman from West Virginia gives to this business of surface mining coal.

I would also much rather go back to the original amendment offered by the gentleman from Montana (Mr. MELCHER) but let us enact what we have now, so that we can enact a law and that we know can survive a veto. I would like to see some other adjustments made, but I am willing to go along with a bill that makes me reasonably unhappy.

There are others reasonably unhappy without a good law.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. RONCALIO. I yield to the gentleman from Arizona.

Mr. UDALL. I thank the gentleman for yielding.

I want to say the gentleman in the well has been under enormous pressure these last 3 years on this legislation. His State is in the middle of being asked by the other States of this Nation to supply great quantities of energy. I know the terrible kinds of pressure he has been under, and he has kept the faith. He has been courageous and intelligent and tried to strike a balance between the protection of the land he loves and the needs of the country. I think he well deserves our commendation.

Mr. RONCALIO. Mr. Chairman, let me say to the excellent chairman of the committee that flattery will get him everywhere, but we do not have any Presidential vote yet.

Mr. UDALL. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. LEHMAN).

Mr. LEHMAN. Mr. Chairman, I thank the gentleman for yielding, and I commend the gentleman from Arizona for bringing this bill to the floor.

In Dade County, Fla., we do not have a great deal of coal but we have a serious safe water problem which the gentleman from Arizona knows because he has visited our area. In this bill there is a provision for the study of the effects of strip mining. Though we mine no coal we do have phosphates, rock and other raw materials in south and central Florida. So, I would like to put the question to the gentleman from Arizona as to whether this study would include the effects of open pit mining for rock phosphate and various minerals in south and central Florida, and the effect of this kind of open pit mining on the aquifer that supplies water to the metropolitan areas of south Florida, water which is so essential to our growth and well-being.

I might bring to the attention of the gentleman the statement of Russell Train, former Chairman of the Council on Environmental Quality on the additional potential damages of strip mining.

An additional damage can occur from strip mining—devastated wildlife habitat, landslides, silt and acid choked streams and a blighted landscape. In particularly rich farmland, area strip mining can adversely effect future fertility as it can the opportunities for revegetation.

Mr. UDALL. Mr. Chairman, if the gentleman will yield, I am keenly aware of the problems in Florida and I would like to say this bill will cover the kinds of problems the gentleman has in his area. I hope out of that study will come to some means to deal with those problems.

Mr. LEHMAN. I thank the gentleman from Arizona.

Mr. STEIGER of Arizona. Mr. Chairman, I yield 3 minutes to the objecting gentleman from California (Mr. KETCHUM).

Mr. KETCHUM. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, here we are again, not quite a year later, with the same packed House. Somebody would probably tell the Members that is because this is Friday, but let me tell the Members that we debated this bill for 6 days last year and the attendance was about as good, which really indicates how important this bill is.

We are going to hear during the course of the debate how the coal companies simply cannot operate until we get this bill passed because they are confused and they do not know what they can do. I have been listening to that argument for almost 2½ years on this legislation, and if one is to believe that great metropolitan daily, the Washington Post, and if one read the editorial in this morning's paper, one would see it said there was something in the nature of 1,000 acres a day being mined—and this without Federal legislation—so I do not think they are as confused as some would have us believe.

We are going to be told that this bill really is not going to cost anything and that it is going to double the production of coal. I am telling the Members that nothing could be further from the truth because there is not any Federal legislation we pass that does not have a price tag and this one has a "biggie." It is going to increase the price of coal to our consumers. We are all hearing from our constituents right now about the high cost of electricity. Well, "You ain't heard nothing yet."

The cost to the consumers is going to be considerable, and that by the way is why the Governors of a couple of the States that have strip mining legislation in their States today are backing this bill to the hilt. The legislation has increased the price of their coal to such an extent that it is no longer competitive with the other States. That is why the Governors want the bill.

This bill is going to create unemployment, and we heard much testimony along these lines. The Members will find that feature has been removed from the bill this year, but it was put in there originally because we know it is going to create unemployment, and the Members will find it in the Senate version of the bill if my information is correct.

Now, as to my good friend, the gen-

tleman from West Virginia (Mr. HECHLER's) comments here in the debate when he was complaining about the fact that we had 3 days of "hearings," I would remind the Members of this body that we have something in the neighborhood of 90 or 91 new Members of Congress this year; about half of the members of the Committee on Interior and Insular Affairs are new to the committee. Those of us that were new to the committee last year listened to this bill in the subcommittee for almost a year and debated the various provisions back and forth, so that we were thoroughly familiar with the contents of this bill. That simply is not true today.

The Members of this House, none of the Members, particularly the newer members of the Committee on Interior and Insular Affairs are aware that they could not possibly read all the committee reports that would probably fill this well to find out what we found out.

Now, bear in mind that we do have the responsibility for the regulation of mining on Federal lands. That is our job.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RUPPE. Mr. Chairman, I yield the gentleman from California 2 additional minutes.

Mr. KETCHUM. Mr. Chairman, that is our job, and let me tell this body that the Secretary of the Interior has already promulgated regulations and when I asked him in committee why must we have this bill, he said:

> I don't know. Maybe my promulgating of these regulations is unconstitutional.

Well, I think he clearly has the responsibility and authority to do just that.

We pass law after law around here and then we spend the next 2 or 3 or 5 or 10 years undoing the damage we have done. Let me give one classic example of what I am talking about. About 6 years ago, we spent, and I am sure this House spent, I know I did in a State legislative body, spent an entire year arguing about the merits of removing lead from gasoline, because we were going to have this great new catalytic converter that was going to take all these noxious things out of the atmosphere. During that year of debate we brought to the people and told them that the catalytic converter would spew forth sulfuric acid fumes. Nevertheless, we have the catalytic converter at a cost, I am told, of billions of dollars to our constituents and to the taxpayers that are footing the bill for all this phoney baloney.

Now, the EPA has just recently announced that, lo and behold, that the catalytic converter spews forth sulfuric acid. Therefore, we had better change our thinking on the catalytic converter.

Well, that is what we are doing with this bill. That is what we are doing to the consumer and we are going to answer for it. I am very proud of the position I took on this bill this year and last year, and if the good Lord is willing and the creek does not rise, I will take it again.

Mr. UDALL. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, the gentleman from California made a rather sweeping statement about the supposed effect of this bill on the price of coal to the consumer.

I invite everybody to turn to pages 72, 73, and 74 of the committee report. Starting on page 72 is a very interesting chart which shows that before 1967 the coal price was fairly stable. Since then the spot price of coal has shot up until by the end of 1974 it was three times what it was in 1967. During that period of time wages went up 50 percent and production hardly went up at all.

Now, if we turn to page 73 and the report that is quoted there in the first paragraph we read:

> A review of the available data on profits of coal companies and coal operating companies reveal tremendous increases in profits. Thus, price increases have been translated into profits. The fact that the price of coal is likely to remain unrelated to the cost of production is further supported in the Coal Supply Potential Task Group Report, prepared by the Federal Energy Administration. This report states that at least for the near term, (1975–1978) the "... equilibrium price of coal may be set by competitive forces of competing fuels and most particularly oil, rather than by the cost of production and normal competition within the coal industry."
>
> It therefore appears that the ability of the industry to absorb any increased costs of reclamation consistent with the standards of the Act is no longer in doubt.

If anyone still have any doubt, turn to the next page and look at the price of coal, as shown in table 14, versus other hydrocarbon energy resources and compare the maximum reclamation cost per ton of coal as shown in table 14 with the most recent prices shown in table 15.

Now hopefully we have competition in the coal industry, a competitive structure, although there is some doubt that we do. But assuming we do, then the marketplace is going to determine the price of coal to the consumer and not whether we add a few cents per ton by requiring coal companies to restore the land.

Mr. RUPPE. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman.

Mr. RUPPE. Mr. Chairman, I think we have to understand we should not throw a lot of cost inputs into this legislation simply because the present price of coal can support those energy costs.

It seems to me what we ought to be doing here is to be looking toward the day when prices of coal will come down. The price of coal is far too high. It is not necessarily too high because of the policies of the coal companies. It is, partially, high priced today because of the past policies of this Government.

For years, we encouraged industries and utilities to get out of the utilization of coal. We said that coal is a bad energy source. We did everything at the time in this country to discourage the production and consumption of coal. The fact that there is a high price attached to coal today is largely because of the Federal Government failing to realize we would face a Near Eastern energy or oil shortage and failing to realize what an important place and role coal had in the energy development of this country.

Mr. SEIBERLING. I agree with the gentleman that we do not want to add unnecessarily to the cost of coal. I think the gentleman agrees with me that this bill does not add unnecessarily to the cost of coal. But I would also like to point out that there are some people—and the study cited in our report makes the point—who say that it is not the Government and it is not the Federal clean air standards that have raised the cost of coal. The fantastic increase in coal prices appears to result from a lack of effective competition in the coal industry itself, for if the coal industry were fully competitive, then as the price went up, production would go up, and yet we all know production has remained practically the same.

Secretary Morton, when he testified at the hearing before the committee 2 weeks ago, said that the production was not limited but that the demand was limited, and if the demand is limited and the industry was capable of producing more than the demand, the prices should not have gone up as they did if the coal industry were a competitive industry.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from Arizona.

Mr. UDALL. On that point, Secretary Morton said the industry was capable right now, had the capacity right now, of producing in the area of 60 million tons of coal additionally, without putting on new capacity or additional opening up of new mines.

Mr. SEIBERLING. Secretary Morton said one other thing. He said this bill will not reduce employment in the coal industry; it will increase employment. Look at the record.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. Yes; I yield to the gentleman.

Mr. KETCHUM. Mr. Chairman, I thank the gentleman for yielding. The gentleman and I sit on the same subcommittee, and we listened to the same witnesses, and the gentleman know that is not a fact.

Mr. SEIBERLING. I ask the distinguished chairman of the subcommittee, did not Secretary Morton say that? Were those not his exact words?

Mr. UDALL. That was my clear understanding.

Mr. SEIBERLING. I challenge the gentleman from California to look at the record.

Mr. RUPPE. Mr. Chairman, I yield 5 minutes to my distinguished colleague, the gentleman from West Virginia (Mr. HECHLER).

Mr. UDALL. Mr. Chairman, I yield another 10 minutes to the distinguished patriot, the gentleman from West Virginia (Mr. HECHLER).

Mr. HECHLER of West Virginia. Mr. Chairman, I have a "Udall for Presi-

dent" button in my pocket. I do not know whether I should, after that comment, put it on or not.

Mr. UDALL. Mr. Chairman, if the gentleman will yield briefly, I would hope we would have a nonpolitical debate.

Mr. HECHLER of West Virginia. Mr. Chairman, I appreciate the time that I have received from both sides.

Mr. Chairman, H.R. 25 is really an LCD bill. It is really a "lowest common denominator" bill, and it is the product of a lot of pressures by very powerful interests.

The gentlewoman from Hawaii (Mrs. MINK) indicated that she and the members of her subcommittee and the members of the full committee had decided not to have "prolonged" hearings. No Member of this House desired prolonged hearings. I very much appreciate the tremendous contribution which was made by all members of this committee, and particularly the gentlewoman from Hawaii (Mrs. MINK). Time after time, on issue after issue, she stood up and she fought for the rights of the people and for the protection of the land, both in committee and during many extended meetings of the conference.

In this Congress she has always been on the right side on every issue, the side of human beings.

Mr. Chairman, it was a very moving experience for me some 10 years ago in my home town of Huntington, W. Va., when Representative MINK came down to give the graduation address at the Women's Job Corps. She established an immediate rapport with those young women by describing her own efforts in the State of Hawaii, coming from a large family, to get an education, to struggle at the University of Chicago for a law degree, and to be elected to the high honor of membership in the House of Representatives.

It is for this reason that I found it especially puzzling that she and other members of the committee have cut us off in terms of testimony.

Mr. Chairman, strip mining is a ripoff. It is a ripoff of people whose water supplies are polluted, whose property is degraded, and whose very lives are threatened by the blasting of boulders, and by floods and erosion.

Day before yesterday five very wonderful people from a strip mined area in West Virginia visited me: Mrs. Chester Workman, from Abraham, W. Va., the wife of a deep miner; Clifford Plumley, and his son, Bobby Plumley, who live in the Richmond district of Raleigh County, W. Va., and whose families have lived in that self-same area since the Revolutionary War; Miss Kittye Cornette, a student at Park Junior High School in Beckley, W. Va., who was so incensed at what was happening to the land and water supplies that she went out and got several hundred students at the junior high school to submit a petition to the Congress to try and stop the devastation of strip mining; and Mrs. Eleanor Bennett, who lives in an area where they are starting to strip mine around her home.

In essence, their visit is the story of what is wrong with the way this legislalation has been developed. These fine people got up at 2 a.m. day before yesterday to drive all night here in order to tell their story and to hope at least that someone in Congress would listen or somebody would listen to them.

They came here to tell personally of the irreparable damage that results when the laws of Sir Isaac Newton take over on these steep slopes and the soil and the spoil cascades down the hillsides into the streams.

Yet when I asked them if they could please stay another day because we are going to take this legislation up today, Mrs. Workman indicated she had to get back to take care of her sheep.

Mr. Chairman, contrast these five people with the people who can come here every day, many of whom represent some of the most powerful interests in this Nation. They are representatives of organizations which have around-the-clock lobbyists here at the Capitol, organizations which can afford to keep people here day after day and night after night seeking to drive loopholes into this legislation, trying to assure that this legislation enables them to keep on with the same ripoff, which we call strip mining.

Mr. Chairman, the gentleman from Montana (Mr. MELCHER) started off his remarks by saying, "There is a time to sow, and there is a time to reap."

I would ask him if he did not mean to spell that word "r-a-p-e" instead of "r-e-a-p."

Mr. Chairman, the legislation that we have before us is the product of compromise. Sure, compromise is the essence of the legislative process. Maybe I just cannot get used to compromise when the very way of life, the property, the homes, and welfare of the people in my area who are affected by this legislation are involved.

I asked the Library of Congress recently to give me a list of the leading congressional districts in the Nation, ranked according to how many coal miners they have and how much tonnage of coal they mine. The Fourth Congressional District of West Virginia, which I have the honor to represent, came out on top of the list in terms of number of miners, amount of coal mined underground, and is one of the top three congressional districts in deep and strip coal production.

A lot of people asked me, including Representatives serving their first term here in Congress, how can I represent a district that has so much strip mining, so much deep mining, and more miners than any other district and take the position that I take against strip mining.

A telephone call came in to the office of one Congressman warning that Congressman not to introduce a particular strenthening amendment because that Congressman might be in trouble back home and not be reelected if that amendment were sponsored.

Mr. Chairman, I would just like to present a few facts and figures here to my fellow Members, all of whom practice politics. In 1972, after the reapportionment when West Virginia lost one seat, the State legislature, where the coal interests of West Virginia are prominent, decided that they wanted to get rid of me. Therefore, they redistricted me in with another Congressman, a fellow Democrat, against whom I had to run in the primary. There was one clear-cut issue in that primary: I was for abolishing strip mining; he was in favor of strip mining. In any event, the vote came out 2 to 1—50,872 to 25,004—and I am still here.

In that same election I ran for delegate to the national convention. I was the first Congressman in this Nation to come out and urge the nomination of GEORGE MCGOVERN for President. I say that because I want my fellow Members to understand that GEORGE MCGOVERN did not do well in 1972 in West Virginia. Nevertheless, he is doing better and better as the days go on. In that election for delegate to the national convention, I urged a plank in the national platform to abolish strip mining. Another colleague from the House of Representatives from West Virginia also ran and he took a position in favor of strip mining.

My vote was 107,542, his vote was 78,885. We were both elected, but nevertheless it shows the reaction. By the way, he was not for Senator MCGOVERN for President, which some people say may have not hurt the size of his own vote.

I would like to point out also to any Members who are afraid of taking a strong position on strip mining that we had a vote on the 18th of July 1974, on an amendment that I offered to abolish strip mining. Sixty-nine Members voted for that amendment. Sixty-four of them are still here in the House. Ninety-three percent of them are still here. On the other hand, of all of those 365 who voted against that amendment or did not vote, only 73 percent are still here.

Therefore, if the Members want to measure the politics of this and if they are afraid to take that position, they need not be afraid.

I would say also that all those who are going to be running for President in 1976 in the primary in West Virginia can be assured that I can furnish them an example of one who ran in 1972 and came out first in the State on a platform of abolition of strip mining.

Mr. Chairman, I would gladly yield to any candidate for President who would care to comment.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Arizona.

Mr. UDALL. Did the gentleman indicate that the candidate he supported in West Virginia and who was later nominated was beaten by a larger margin than any candidate for President was ever beaten by in the history of the United States?

Mr. HECHLER of West Virginia. Mr. Chairman, I would observe to the gentleman from Arizona that if that candidate ran today with the knowledge of what has happened since 1972 his plus margin would be overwhelming. I would also remind the gentleman from Arizona if he could listen to the tapes of some of the speeches GEORGE MCGOVERN made in 1972 he would see that they come out pretty darn good in 1975. That differs from some other tapes.

Mr. UDALL. I agree with the gentleman from West Virginia. I supported GEORGE MCGOVERN in November of 1972. In a like vein I would suggest, in light of the outcome of GEORGE MCGOVERN's campaign, that maybe the gentleman from West Virginia would want to attack me this time rather than support me, although I welcome the gentleman's support.

Mr. HECHLER of West Virginia. I thank the gentleman from Arizona for his well-reasoned contribution to this debate.

There will be a number of opportunities that we will have during the 5-minute rule to amend this legislation. The most important one of those amendments, of course, is the Spellman amendment to the 20-degree slope. Then there is another very important amendment which will be offered by the gentleman from Michigan (Mr. DINGEL) which will transfer jurisdiction from the Department of the Interior to the Environmental Protection Agency.

The General Accounting Office in a study which was made in 1972 pointed out in a devastating fashion the way the Department of the Interior had failed to enforce its own strip mining regulations by the Bureau of Land Management on Federal land and by the Bureau of Indian Affairs on Indian lands.

The Department of the Interior is not in favor of this legislation, either. They were up here 2 weeks ago testifying in support of changes to the legislation.

One of the real basic defects in this legislation which I do not think even an amendment could cure is that it is based upon the principle of control by the States.

I would also like to commend the gentlewoman from Hawaii (Mrs. MINK) who took the lead in trying to insure that Federal control would be retained in this legislation rather than State control. I would ask any of the Members who have studied the history of this Nation to consider the history of legislation that has marked the progress of our Nation. Take, for example, civil rights. Many Members of our body would like to see civil rights protected by the States, but I think the overwhelming majority of the Members of this body and the people of this Nation understand and appreciate that these basic human rights need Federal protection. There are basic human rights and economic rights that are being imposed upon and denied by strip mining that need Federal protection.

It is said, of course, that the situation is different in every State. Coal mining is different; take the mining of lignite in North Dakota, as our friend, the gentleman from North Dakota (Mr. ANDREWS) pointed out in his remarks. Western coal is different, there is the difference in the soil and the difference in the rainfall.

Why not have each State make its own regulations? The same cry came up when we considered the Federal coal mine health and safety legislation. The history of this country in its development has been that every industry that is regulated in behalf of the public interests, first demands State regulation, because it knows that it can control the State legislatures, and the administration of the State easier than the Federal Government.

Why, this legislation that you are offering here in H.R. 25, this LCD—Lowest Common Denominator—bill, is not even as strong as the State laws in Montana, Ohio, and Pennsylvania.

The CHAIRMAN. The time of the gentleman has expired.

Mr. UDALL. Mr. Chairman, I yield 2 additional minutes to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Chairman, I thank the gentleman for yielding me this additional time.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Arizona.

Mr. UDALL. I thank the gentleman for yielding.

I just want to say to my friend, the gentleman from West Virginia, that we have had differences on how far to go in this area, but I have never had any doubt of the very deep conviction of the gentleman from West Virginia and his love for the land. I have been in his State, and I have seen what the old practices have done. I want to say to him that he has provided a rallying point for literally millions of citizens in America who are deeply concerned about the ravages that have occurred. I want to compliment him on the tenacious fight. The bill we have today before us is a much tougher bill than it would have been without the efforts of the gentleman from West Virginia.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Ohio.

Mr. SEIBERLING. I thank the gentleman for yielding.

I would like to express the same sentiments as those expressed by the gentleman from Arizona on the tremendous contribution the gentleman from West Virginia has made to making the Nation aware of the terrible ravages of strip mining and the necessity for doing something drastic about it.

As the gentleman knows, I share his views that the ideal solution would be to phase out strip mining. If I had my "druthers," that is what I would do. One of the reasons I would do it is because I have no faith that regulatory agencies can remain independent enough, particularly at a State level, not to end up being captured by the very industry that they are supposed to regulate. As a matter of fact, that has happened in the State of Ohio. The State agency is not going to do the job of enforcement because the industry has packed it with its supporters.

One of the reasons we need this bill is to try to have someone else keep an eye on the State agencies to make sure they are doing their job. I am willing to give it a try, because reclamation is possible. The question is whether it will be done and done right. I think that we have done about the best possible job of writing law at least to see that it will be done.

Whether it is implemented remains to be seen.

Mr. HECHLER of West Virginia. I thank the gentleman from Ohio, who has done a magnificent job on the committee in educating this country on this issue.

Mr. KETCHUM. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from California.

Mr. KETCHUM. I thank the gentleman for yielding.

I, of course, do not share his great enthusiasm for regulatory agencies at the Federal level. I would commend to him for his thought the great job the ICC has done with the Penn Central.

Mr. HECHLER of West Virginia. I thank the gentleman. I would point out that in the field of food and drug legislation, certainly no one here wants to turn back entirely to the States. Certainly the fight for fair labor standards legislation, which started at the State level and subsequently was taken up by the Federal Government——

The CHAIRMAN. The time of the gentleman has expired.

Mr. UDALL. I yield 1 additional minute to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. I thank the gentleman for yielding.

Before this packed House, will not the Members allow me to make my peroration?

Mr. Chairman, the issue we face today is whether the Congress of the United States has the right to condemn one area of the Nation to be exploited for the private profit and advantage of the other areas. Throughout the Appalachian Mountains instant millionaires are being made over night in the strip mining industry. Over two-thirds of our land surface in many counties is owned by out-of-State corporations, and the people of this area are being treated as subjects in a colonial empire while the wealth of the land is rapidly being siphoned off.

Mr. Chairman, the Appalachian area refuses to be a national sacrifice area. I ask my colleagues on this committee to vote to strengthen this bill, because if this bill is not strengthened, I plan to vote against this bill. Do not Appalachianize the rest of the Nation. I hope those of my colleagues who have not had the opportunity to learn what is happening in West Virginia and throughout the areas which are being strip mined can come down and see for themselves what the effect is on the people, their water supply, their land, and their soil.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RUPPE. Mr. Chairman, I yield so much time as he desires to my distinguished colleague, the gentleman from Arizona (Mr. STEIGER).

Mr. STEIGER of Arizona. Mr. Chairman, for the few hardy souls who have not yet had a chance to speak, I take up their time now because I feel this record must reflect at least one or two notes of sanity amidst all the frivolity and gaiety

that we have endured here this afternoon.

We have heard the self-congratulations of the experts. We have heard the self-congratulatory experts on this bill who have labored long and hard, and as they indicated, they are going to load the record up. Somebody somewhere ought to point out that the king has no clothes. Not only is this piece of legislation not necessary, not only is it counter-productive, but also it has been mauled over and massaged by people with absolutely no practical idea not only of the rudiments of coal mining but also now clearly without any recognition of their constituencies' concern about the rising cost of living currently best epitomized by their utility bill.

And now: "Ralph Nader, where are you when we need you?" While Mr. Nader's constituency roams the streets desperately looking for an issue, here lies one begging to be picked up and nurtured.

This bill is going to add up to an estimated 15 percent to every utility bill in the country. It will do that even in New Jersey, where I understand they only use coal oil and much of that because of the high cost of their utility bills. Yet we have Members, responsible Members of Congress prattling about saving the Earth's surface. We heard the gentlewoman from Hawaii make the most remarkable statement I believe I ever heard her make on this floor, and I have heard some dandies. She said and I quote:

> The American public is crying out to bear the costs of curing the surface mining cancer.

She did not say it that well, but she said that kind of thing.

Now the fact is she and I and all of us know that the American public is crying out, yea, crying out but not to bear any more cost of anything. And what we are doing here is imposing an arbitrary cost on the American public the extent of which we do not know. We just know that it is going to cost them more.

The proponents of the bill tell us this is not going to result in reduced production of coal, that it is going to increase coal production, yea, double it. Is this so?

Well, it is done by a little tortured reasoning, but really there are many people waiting with these plans and many are ready to leap into the production gap as soon as we resolve the uncertainty. There is an alternative, a simple straightforward alternative, which of course is not in keeping with the mood of the House, but it is simple and straightforward. If we kill this bill we also remove the uncertainty and allow these people to go forward under the existing State laws, not one of which has been proven to be unsound.

Yes, the people in the various States are crying out, and we hear the gentleman who has claimed to be an expert and he claims he was the first to endorse GEORGE MCGOVERN—which is a great recommendation, I agree—and then he tells us that his people are crying out, and he tells us that he was elected over some fellow who was not crying out.

Mr. Chairman, I see the gentleman on his feet but I am sorry, I will not let the gentleman respond to my biting bark.

Only because of my basic venality do I deny the gentleman the opportunity to respond. The record may reflect, however, that my friend, the gentleman from West Virginia (Mr. HECHLER) tried to respond and I refused to let him.

I would like to point out that we have not had one single empirical bit of evidence that the States are faulty in their administration or the implementation of their laws, not one. We have had lots of testimony from people who are concerned in very broad terms about the destruction of the Earth, and if I have heard once, I have heard virtually every day that the committee met for a year and a half, that even as we sat here desperately locked in legislative combat, a thousand acres were being devoured by whatever monster was currently devouring a thousand acres.

The fact is that if we mined by reckless abandon, if we ignored all State laws, if we turned the monster machines loose and mined every bit of reserve coal that we can mine by surface mining, we would have destroyed and it would destroy eight-tenths of 1 percent of the surface of this land.

Now, I am not advocating the destruction of it, but I am telling this House that the equation that says if we do not pass this bill, the land will be destroyed, is a phoney equation.

Now, here is my empirical evidence for this, aside from my faulty gift of rhetoric. It lies within the bill itself, for within this bill itself is a section that exempts—yes, gentlemen, exempts—one area of this country from the obligations of this bill. It is known as the anthracite exemption, one that should bring a glow of pride to every member of the committee on this side of the aisle—and let the record reflect that the gentleman in the well pointed to the Democrat side—here is, indeed, a great and visionary stroke of legislative construction. Backed by a staff and cast of thousands, we rushed into print an exemption that said the great State of Pennsylvania will not have to bear the burden of anthracite legislation, because clearly, as everybody knows, that is much too great a burden to bear, and besides, the State laws in Pennsylvania are adequate to handle the situation.

Now, that is not what we said. What we said in the bill is that anthracite is exempt from any Federal regulations in this act which, of course, meant it was exempt from the act.

Why was it exempt from the act? I cannot tell you, but I am going to presume in a moment. I cannot tell exactly, because we did not have 1 minute's hearing, not even 30 seconds—would we believe 10 seconds? We never once discussed this in hearings. We never heard why, indeed, anthracite could not bear the onerous burden of Federal regulations. They are right, but neither can lignite, neither can bituminous coal. In fact, no section of the coal industry can bear the onerous burden of Federal regulation. Why is it that anthracite is so blessed?

Today in the mail I learned why and I am happy to share it with all of us on the record. I got a letter from at least if not the best informed, the best dressed Member of the House, the gentleman from Pennsylvania (Mr. DAN FLOOD). The gentleman from Pennsylvania (Mr. DAN FLOOD) tells us in this letter, and we do not have to pay too close attention, because I know we all have gotten this letter and we have all read it. Several of us have made notes and I suspect by what the gentleman from Pennsylvania (Mr. DAN FLOOD) explains, the fact is that nearly 45 percent of the people in his district use coal to heat their homes, this particular coal that is mined there. Therefore, of course, they should not be required to comply with this ridiculous law, and the gentleman is right, they should not be.

Of course, the fact that 67 percent of the coal mined in this country is used by electric utilities to furnish us our electricity, that is all right for them to be burdened, but not in "good old DAN'S" district.

He says:

> Vital to the continued production of anthracite—

And I am sorry the gentleman from Pennsylvania (Mr. FLOOD) is not here, but I am sure we will hear from the gentleman on Monday, because this amendment will be up on Monday, I know, because I am going to offer it—

> Vital to the continued production of anthracite is the section of H.R. 25 which recognizes the unique—

And hear this—

> geographical and geographic differences between bituminous and anthracite coal.

I will explain now what this unique difference is.

Anthracite, as the gentleman from Pennsylvania (Mr. DAN FLOOD)—and the rest of us just have to get along without it, because absent the gentleman from Pennsylvania (Mr. DAN FLOOD), if we all had the skill and cunning of the gentleman from Pennsylvania (Mr. DAN FLOOD) and the backing of the United Mine Workers and the skullduggery of Bethlehem Steel, then there would be no coal in this bill, because if this bill is too onerous for anthracite, it is too onerous for any other type of surface mined coal, and it is.

Now, the historical facts, and how this anthracite amendment got in absent any hearings, it appeared full blown one day and we were told that it is all right, because the Pennsylvania delegation wants it. Well, that is a simple reason. They are a cohesive organization.

It was adopted in the conference report; and, lo and behold, not 3 days later Bethlehem Steel acquired three properties in Pennsylvania that, between them, produced some 600,000 tons of anthracite a year. They were known as the Greenwood properties.

Clearly, it would be patently unfair to say that the timing and acceptance by the conference committee of the anthracite exemptions and the timing of the Bethlehem purchase was anything but coincidental.

However, I am a person not famous for his kindness, so I will tell the Members that, in my view, the one had a direct bearing on the other, and I suspect—I do not know this, but I suspect—that, upon analysis, if the Federal regulations in this bill were to be imposed on the anthracite mining, that it would not have a profitable property.

Therefore, Bethlehem Steel, it was perfectly appropriate for them that they would not consummate the purchase until this amendment had been accepted by the conference committee. Then, what did Bethlehem Steel do—that giant of free enterprise?

They were the only industry, that I know of, that went to the President of the United States and said, "Don't veto this wonderful bill, because while it may be onerous for the rest of the country, it is not bad for Bethlehem." As everybody knows, what is good for Bethlehem Steel has to be good for the country, at least the part of the country from which the gentleman from Pennsylvania (Mr. FLOOD) comes. That you can count on.

I want to tell my friends why this bill is onerous—and it is onerous. We are creating a bureaucracy in the Department of the Interior that we need like we need another navel. We create legions of inspectors, application forms and quantity orders. We are told by the coal industry that this will cost 140 million tons a year in production. We do not know that. That is assuming that the citizens suits, which this bill now permits never functions, that nobody brings in litigation on production of an ongoing surface mine and that nobody decides they are going to delay by litigation a new surface mine.

I know my friend from Wyoming will be glad when this is all over, because the facts and his emotions kept colliding. Fortunately, he was able to resolve it by depending upon his emotions, and he was able to support the bill.

And my good friend from Arizona and my good friend from Hawaii—they may not view me kindly, but I have the greatest respect for them—I am convinced that they have conned themselves into believing that what the environmental activists and what the environmental extremists want must be done, because they do understand this bill. Of all the people in this room, the gentleman from Arizona (Mr. UDALL) and the gentlewoman from Hawaii (Mrs. MINK) do understand this bill. They have somehow been able to convince themselves that what they are doing is appropriate. I will tell the Members that, in this instance, they are simply wrong. What they are doing is not only disastrous, but it is only the beginning of the disaster.

That is what the gentleman from West Virginia desires, because, if we are going to be rational, it will result in banning strip mining in the rest of the country; that will come as a direct result of the passage of this bill.

If the citizens who are concerned about this throughout the country, the citizens who will file litigation without ever knowing anything about surface mining of coal, succeed in delaying significantly the production of coal and succeed in raising significantly the cost of electrical energy to the consumers, these people will be responsible for the outlawing of the surface mining of coal. If that is what they want, I say, "Let us do it head on."

That is why I respect the gentleman from West Virginia (Mr. HECHLER) more than I do the proponents of this bill. This bill is going to do it by slow death, not by the direct method which the gentleman from West Virginia prefers.

Mr. Chairman, I will point out to the Members that, with the track record of the Federal Government in any of the regulatory agencies, we ought to be tearing down regulatory agencies, not building new ones. It is absurd for this body, which understands the problems inherent in regulatory agencies, which knows the results of arbitrary regulations built in the law, to do what we have done in this bill.

We talk about a 20° slope. I have the greatest respect to the gentlewoman from Maryland (Mrs. SPELLMAN), but I will guarantee that she would not know a 20° slope if she fell downhill over it.

Mr. Chairman, perhaps I should apologize. I will admit that she would know a 20° slope if she fell down over it.

The point is, Mr. Chairman, we are writing into law arbitrary standards that we know nothing about. I plead with the Members to allow some sense of recognition of the facts of life.

Let us not be romanced by the overblooming and distorted view of the countryside being swallowed up by bulldozers. Let us recognize that the States have, indeed, confronted what was a problem.

I will stipulate at the outset that some of the States are not going to do a very good job, but I will insist and we must recognize that, based on our own experience, the Federal Government will do the poorest job of all. What it will do will be arbitrary and capricious, and what it will do will result in increased costs and unfair shutdowns.

Who agrees with me on this? The big coal companies? Sure, they do. However, I want my friend, the gentleman from Arizona (Mr. UDALL), to hear this, because perhaps he may be agreeing with me, on the outside chance that the gentleman's Presidential parade will founder somewhere between New Hampshire and wherever it is they assemble in July. Let me read this:

> HONORABLE CONGRESSMAN: It would be appreciated if House Bill H.R. 25 would be referred to the Interior Committee for amendment.
>
> Sincerely,
>
> BERNARD E. YOUNG,
> *Business Manager, IBEW.*

That is a Tucson local.

Mr. Chairman, I point that out for the benefit of my friend, the gentleman from Arizona, I say, on the unlikely chance that he might have to run for this demeaning job again.

I will also point out that the Phoenix Building & Construction Trades Council of the AFL–CIO is concerned, because they feel there are 3,000 jobs that are in jeopardy if this bill passes. That is not an idle concern. I did not advise the gentleman of that, because we do not consult too regularly, I must confess.

The Central Arizona Labor Council, another friend of the folks, says that if this bill passes, the constituency, the workingman, will not only suffer by a lack of jobs but will suffer by an increased cost for his utilities.

Who is for this bill? In fairness, I want to read all of the wires I received. This is from Arnold Miller, president of the UMW. He devotes a whole paragraph of a very expensive wire, paid for by the eminent budget of the United Mine Workers, a very limited budget set aside for this purpose, to his statement in which he extolls the virtues of that section which exempts anthracite. I thought that was interesting. This is interesting, especially because anthracite is left out and my folks cannot afford to mine anthracite under this bill.

The fact is, Mr. Chairman, this is bad legislation. If we must have a simplified solution, I will offer the Members a simplistic solution as to what they can tell their environmentalist friends concerning why they voted against this bill. Members can say, "I voted against this bill because I did not want to raise the utility bills for you constituents by 15 percent at this point in time."

They will understand that. I suspect that even some of us can understand that.

With that, Mr. Chairman, I yield back the balance of my time.

Mr. UDALL. Mr. Chairman, I yield 5 minutes to the gentleman from Alabama (Mr. BEVILL).

Mr. BEVILL. Mr. Chairman, the people of the State of Alabama have responded to the need to ease the national energy shortage by mining more coal. This fiscal year, Alabama surface miners—the group that accounts for 60 percent of the coal production in my State—plan to increase production 10 to 15 percent.

The need for 8 billion barrels of imported oil at a cost of nearly $100 million in foreign exchange will thus be prevented this year.

Unfortunately, this new production—and most of our existing production as well—would be quickly lost with the passage of H.R. 25.

According to a recent industry survey, the passage of H.R. 25 would lead to the loss of 12 million tons a year of coal production in the State of Alabama. Some $160 million would be lost to Alabama's economy, 27 currently planned mines would not open, and 86 mines would be closed. The direct losses of 2,400 jobs and $35 million a year payroll would be felt deeply throughout the mining regions of my State.

On a national basis, 49,980 jobs would vanish and as much as 141 million tons of annual production would be lost.

The direct losses that would flow from the enactment of H.R. 25 are by themselves a powerful argument against the bill's passage. Yet they are dwarfed by the indirect effects that will ripple through our economy.

As we are all well aware, the soaring

cost of electricity is a vital concern to every citizen. Later this month, for example, the Alabama State Legislature will go into special session. The sole purpose of this session is to study ways to bring utility rates under control. Similar sessions will no doubt be held across the Nation.

In Alabama, as elsewhere, the impetus behind soaring utility rates comes from the rising cost of fuel, which unlike equipment or labor costs, is immediately passed through to the consumer.

In light of the fact that there now are homeowners across the Nation paying more for their utility bills than their mortgages because of the soaring cost of fuel, legislation that increases utility bills by 10 to 16 percent is unconscionable. And that, I suspect, will be the feature of H.R. 25 most widely felt and remembered by the Nation's electric rate-payers.

At this particular juncture, we cannot forget the impact this bill would have on our economy. Replacing the coal lost to H.R. 25 will require 1.7 million barrels of foreign oil a day at a cost of $2.75 billion a year. The total economic costs to the U.S. economy will be over $6 billion.

These are staggering numbers, but there is no way the human misery incurred due to the loss of a job or way of life can be reflected in statistical terms. And make no mistake about it, that is one of the chief effects the bill will have in the coal producing regions of Appalachia.

The bill's overly rigid strictures and enforcement procedures will lead to far higher expenses and administrative burden.

No doublt, large, well-financed producers will meet the act's requirements in large parts of the Nation. But smaller operators faced with the expense of legal and engineering costs that may well mount to more than $100,000 just to secure a permit will have little choice but to close down, leaving their market share to the larger producers. Something important to the functioning of our entire economic system will thus be lost.

The framers of this bill contend, and I quote:

> The overwhelming percentage of the nation's coal reserves can only be extracted by underground mining methods.

The Bureau of Mines says that slightly more than two-thirds of the Nation's reserve base is mineable by underground means and the remainder is mineable only by surface methods. But the reserve base is not the same thing as reserves—when you take into account the far higher recovery rate of surface mining as compared to underground mining you find that 40 percent of the Nation's coal reserves are mineable only by surface methods.

Not too long ago—when the Nation's economy was growing at a 7 or 8 percent rate, unemployment was down to 4 percent, and oil still cost $2.80 a barrel—we could afford to believe in the need for the universal deep mining of coal and other environmental fantasies. But that era is gone.

Certainly we can still afford to protect the land and the streams and the air, but only in a carefully conceived and executed manner. That is why I submit now that the era of rip-and-run mining is over and meaningful reclamation is required in every State where significant coal production takes place.

While I would insist on the protection of the environment, I do not feel that regulations such as returning the terrain to its approximate original contour is necessary to achieve this objective.

Better uses can often be made of the mined land, especially in Appalachia, where mountain surfaces are leveled off and thus suitable for uses such as forestry and grazing.

We do not need this bill in its present form, and it should not be made law.

Mr. UDALL. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. OTTINGER).

Mr. OTTINGER. Mr. Chairman, I want to congratulate my friend, the gentleman from Arizona (Mr. UDALL) again, as well as the gentlewoman from Hawaii (Mrs. MINK), for their very important work in getting this legislation before the House today. Also, I would like to congratulate my close friend and colleague, the gentleman from West Virginia (Mr. HECHLER) for his valiant efforts to strengthen this legislation.

Mr. Chairman, in my opinion this is one of the most important pieces of legislation to come before this body, to provide meaningful protection for our natural resources without causing the tremendous expense and delay in getting these necessary resources as the opposition has indicated might be the case.

I think we are going to witness over the course of the next couple of years a tremendous effort to just do away with all of our protective environmental measures in the name of solving the energy crisis or in the name of resolving the economic crisis, whether or not it is a fact that those energy and economic threats are really affected.

The facts are that there are far more coal resources and energy resources subject to deep mining and available from deep mining than there are from surface mining. I also understand there is more low-sulfur coal available from deep than from surface mining.

On the picture that was raised of having soaring utility bills as a result of this legislation through just seeing to it that the land is put back together and strip mining is not continued in places where it will cause tremendous damage to the environment. I think this is clearly false. I do not think we ought to be fooled by it. This is a situation where I think we can have our cake and eat it, too. We have the coal resources that are essential to keep us in business in this country and keep our economy going, the coal resources necessary to keep the electricity flowing and energy going, and you do not have to rape the land in order to use it.

I think if the people who are so concerned about these costs would only join us in seeing to it that there was a little free enterprise restored to the energy business, if we could require the separation of the coal companies from the major oil companies and the gas companies, and if we could see the vertical and horizontal integration of the oil companies eliminated, we would get meaningful energy price decreases.

The evidence that has been presented and spoken to so ably by my friend, the gentleman from Ohio (Mr. SEIBERLING), indicates that the price differential of coal from deep mining, as opposed to strip mining, is accounted for almost entirely by the huge profits that are being piled up by the monopolistic oil companies that control the coal.

I hope the House will pass this legislation in the strongest form we can.

Mr. UDALL. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa (Mr BLOUIN).

Mr. BLOUIN. Mr. Chairman, I would like very briefly to touch on a subject that I do not believe has been mentioned, at least, not to my ears, today.

I support this measure, as weak as I think it is, and in no sense primarily to maintain environmental quality, although I think that is terribly important, or primarily to put some sense into what I consider to be a stampede toward a partially created energy crisis, brought on by a huge, complicated international problem that we have yet to even begin to come to grips with, but primarily from a very self-centered viewpoint of trying to protect and preserve the agricultural productivity of this Nation.

I have heard a tremendous amount of concern expressed by many of the Members who today have opposed any kind of regulation in the area of strip mining, at different times this year and in past years, about the need to keep the cost of food down, about the need to be able to continue to feed ourselves and the world, and meet our requirements in that regard. Yet I have heard very little expression of concern for trying to protect the agricultural land that holds a very large amount, at least in acreage, of strip mineable land in this country.

I come from a State that has a tremendous amount of acreage filled with very shallow strip mineable type of coal reserves, and that has very little if any regulations surrounding it, and that has dozens of oil and coal companies and combinations thereof literally drooling over the thought of being able to paw through there without any conscious thought at all.

We need control very desparately, and we need it as quickly as we can get to it.

Realizing even the inadequacies of this legislation and the obvious loopholes that exist in the areas that I am concerned about, and at the same time realizing the efforts that we are going to make to try to fill those loopholes, I am, nonetheless, going to support this measure, and I intend to fight as hard as I can in the next couple of days to toughen it up and strengthen it.

Mr. RUPPE. Mr. Chairman, I yield 5 minutes to my distinguished colleague,

the gentleman from Virginia (Mr. WAMPLER).

Mr. WAMPLER. Mr. Chairman, the bill we are considering today will do grievous harm to many of the good people I have the honor to serve in the Congress. Coal is the lifeblood of much of southwestern Virginia. Over 100 coal surface mining companies and suppliers operate in Virginia; 2,000 surface miners are employed; 5,000 to 7,500 workers are employed in related jobs; and $125 million circulates in Virginia's economy each year because of coal surface mining. In addition, much of the underground coal mining industry in Virginia exists only because its high-sulfur underground coal can be blended with Virginia's low-sulfur, surface-mined coal to meet stringent sulfur emission standards in our environmental laws.

Section 515, the section of this bill that concerns itself with "environmental protection performance standards" and specifically, section 515(d) thereof, the section that pertains to steep-slope surface coal mining in this bill, radically affects all coal surface mining and large amounts of the underground coal mining in the Commonwealth of Virginia. This occurs, Mr. Chairman, because section 515(d)(4) of this bill defines "steep slope" as any slope above 20 degrees.

This is the crux of this bill, Mr. Chairman, as far as the State of Virginia is concerned. The economic and social future of southwestern Virginia lies in this definition of "steep slope." Of the six counties which produce commercial quantities of surface-mined coal in Virginia, all of these counties have average surface-mine slopes of 20 degrees or more. Coal surface-mining operations range from approximately 20 degrees in Wise County to slightly over 29 degrees in Buchanan County. So in effect, Mr. Chairman, these steep-slope restrictions in this bill would essentially abolish the coal surface-mining industry in Virginia and bring economic chaos to an area of Virginia, in the heart of Appalachia, where the citizens for years have been fighting to exist. Coal mining has been their salvation, the lack of it will be poverty for far too many of these God-fearing, hard-working Americans.

These are the areas that I find faulty in this bill:

First, I feel that the term "steep slope" should be redefined as any slope above 30 degrees, not as the bill defines the term at 20 degrees. I think the implications of not redefining this term have already been spelled out. In this regard, I should think the bill as further modified would allow Virginians to continue the mining of our coal resources.

Second, I also feel that terracing should be permitted on slopes between 20 and 30 degrees and that in this area the land surface mined not be returned to its approximate original contour when the land owner plans to develop industrial, commercial—including commercial agricultural—residential, or public facility—including recreational facilities—development for post-mining use of the affected land. It is important, Mr. Chairman, that we consider this terracing proposition, especially when this method of conservation, long practiced on steep slopes in China and other foreign countries, has increased the amount of land available for agricultural purposes. Also, it should be borne out that the average highwall in Virginia surface mining operations is 53 feet, whereas highway cuts have created highwalls as high as 260 feet in Virginia. I dare say that there are conditions far exceeding Virginia's average in many highway projects all across this land. The point I make, Mr. Chairman, is that we should not let these same experts who engineered the theories against the Alaska pipeline and sold us the catalytic converter, get us into another disastrous condition with respect to the coal situation. The stakes are just too high. We should be considering the best possible use of this land and not get ourselves hung up on the esthetics. The best possible use for this land is agricultural, either grazing or forestry, and anyone who insists on this original contour idea for slopes above 20 degrees has surely not ridden farm machinery across the face of a slope greater than 20 degrees. The fact is that if this bill would permit it, the mining and reclamation process could be a means of adding to our total acreage of tillable or grazing land and increase our food and fibre production. By insisting on a return to original contour instead of allowing more useful land forms, the bill is not only canceling this potential benefit, but it is probably also making the mining of coal impossible on these steep slopes where original contour makes it impossible to protect the land from erosion, siltation, slides, and water pollution.

Third, I also believe that as a process of reclaiming the land we should make allowances for surface water, from above the original cut to runoff without disturbing the backfill. The view is also advanced that the bill should be modified to allow a haul and/or access road on the disturbed lands in order to maintain vegetation and backfill stabilization.

Fourth, I am also of the opinion that this bill is too restrictive as to the disposition of the spoil in surface mining operations and believe that this language should be modified to allow permanent storage of the spoil below the cut, especially in terracing operations, if the operator can provide suitable safeguards to prevent slides, significant erosion, siltation damage, or other adverse environmental conditions.

Mr. Chairman, the above changes are necessary to prevent poverty in the surface mining industry of Virginia. They are necessary if Virginia's coal resources and its trained force of hard working miners are going to be used to provide cheap abundant energy for our industry and the consumers of America. At the appropriate time I shall put these thoughts to this body as amendments, to make this bill workable.

Mr. UDALL. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado (Mr. WIRTH).

Mr. WIRTH. Mr. Chairman, I thank the chairman of the committee.

As the Members know, mining in the State of Colorado has a long history. Coal mining has been going on in that State for approximately 75 years. I find myself in an interesting situation with a long and somewhat ironic personal family history related to coal mining in Colorado, because my grandfather opened a number of coal mining camps in northwestern Colorado and southern Wyoming during the teens and the twenties. Most of these mines are now closed down, but the small towns are left and that area of the country, the region I come from, is sprinkled with a whole series of small and somewhat fragile communities which are now being severely threatened by the potential incursion of strip mining in that area of the country.

I am particularly concerned as we examine strip mining and as we examine the need for more and more coal and as we examine the potential for many coal gasification plants coming into that region of the country, that as we examine all the different possibilities we also keep in mind not only the significant environmental problems which can be caused in that area, but also the social impact that strip mining and coal gasification plants may have in the area; I am particularly concerned about the effect that many people coming into the region may have on those communities.

I am concerned, as we examine the bill brought in by the gentleman from Arizona (Mr. UDALL), and that we take into account the social fabric and social impact of strip mining in that area.

I would hope that as we consider this bill we could take into account, for example, what happens to those small towns when large highways are going through, when the trucks are splitting up that town, what it does to the fabric of those communities.

I would hope that as we consider this bill, we keep in mind what happens to the school systems, the health systems and the total fabric of these communities. I believe we must keep that in mind and I will do so during the process of this debate.

Mr. UDALL. Mr. Chairman, I have no further requests for time.

Mr. RUPPE. Mr. Chairman, I would like to yield myself 1 minute and ask the gentleman from Arizona if in this legislation there is any question as to whether State law at any time takes precedence over Federal law, as far as Federal land is concerned in the various States.

Mr. UDALL. Mr. Chairman, it is my understanding and my interpretation of the bill that if Federal lands are to be taken out of production and set aside for strip mining, this would be under the designation section by the Federal Government under its own program and we would not delegate to the States the rights to make these determinations on Federal land.

Mr. RUPPE. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado (Mr. JOHNSON).

Mr. JOHNSON of Colorado. Mr. Chairman, if I could have the attention of the gentleman from Arizona (Mr. UDALL), in response to a question by the gentleman from Florida, it is my understanding it was indicated the reclamation features of this bill would extend beyond coal mining activities; is that the response of the gentleman?

Mr. UDALL. No. If the gentleman will yield, there is a study section in title VII. We had an original decision to make: Should we regulate coal and only coal or other minerals? The committee decided the bill should regulate only coal; but, because there was surface damage from other minerals, we provide for a study by the Interior Department as to the feasibility of regulating surface mining of other minerals.

I said to the gentleman from Florida that that study would cover the problem in Florida, just as it would for minerals in other States.

Mr. JOHNSON of Colorado. I thank the gentleman for that. As the gentleman knows, we have the Blue River Valley and other sections that have been dredged in skiing areas, one area that was dredged where they took mile after mile and left land piled up by the side of the road. That seems to be an area for study. Will that kind of problem be included in that section of the bill?

Mr. UDALL. Mr. Chairman, let me draw a distinction, if I can. There are two problems. One, should the Federal Government impose standards on minerals other than the mining of coal?

The second problem is the one the gentleman raises, should we have a fund or some machinery to go back and restore the land damaged in the production of gold or silver or lead or other minerals?

The study will focus on the first problem, but not on the second.

Conceivably, if there were legislation arising out of that study, we could have some sort of land program or reclamation program for lands damaged by mining of minerals other than coal; but that would be something that would have to be taken care of in later legislation.

Mr. RUPPE. Mr. Chairman, I have no further requests for time.

Mr. UDALL. Mr. Chairman, I yield 1 minute to the gentlewoman from Maryland (Mrs. SPELLMAN).

Mrs. SPELLMAN. Mr. Chairman, I just want to take a moment to advise the House that during the amendment process I plan to introduce an amendment which would ban strip mining on slopes of 20 degrees or more.

I was very interested to hear the gentleman from Arizona earlier say that the gentlewoman from Maryland would not know a slope of 30 degrees if she fell off it and then later decide, that indeed, she would know one if she fell off it. I thank the gentleman for his newly found confidence in my abilities. But the gentleman need not be concerned. I have no expectation of ever being a "fallen woman."

However, I assure the gentleman that I do know a 20-degree slope. I have slid down such slopes. I have slid down them in the rain and anyone who lives in my county right across the D.C. line would understand what we mean by slopes and understand what we mean by strip mining, would understand what we mean by desecrating the land, would understand what we mean by talking about mining land of 20 degrees or more, would understand what devastation is caused by mining with this method and would understand that it is time that we began to save our land. We in our county took steps to end, in our 476 square miles, the destruction of our Earth and the destruction of our environment and we feel it is long past time that our Nation's leaders embarked on a program which will provide assurance to the people of our Nation that they will leave to their children and their children's children a country which will truly be America, the beautiful.

So, Mr. Chairman, I will be offering my amendment in behalf of the people of the State of Maryland, and the people of this Nation.

Mr. KASTENMEIER. Mr. Chairman, for the third time in three successive Congresses, the House has an opportunity to endorse a piece of legislation which will begin a national policy to deal with one of the most insidious and exploitive practices that this Nation has faced. The congressional battle against strip mining has been a long one. During the 92d Congress, the House passed a responsible regulatory measure. However, the Senate was not able to act and the bill died with the Congress. In the 93d Congress, a good bill regulating surface mining of coal passed both Houses, but it was pocket vetoed by the President after the Congress had adjourned.

Now, due to the efforts of our colleagues, Mrs. MINK and Mr. UDALL, who have labored long and hard on behalf of a regulatory bill for strip mining, we are considering H.R. 25 which I have cosponsored and which I support. While this measure is not a perfect bill, and while some of its environmental provisions should be strengthened, H.R. 25 does represent a good solid beginning to deal with the strip mining problem which has been crying out for Federal policy direction for decades. By pasing H.R. 25, we can begin to put a halt to the present practice of allowing coal operators to reap the profits of strippable coal at the expense of the integrity of the land, the quality of the waters, and the health of the people of the Nation.

H.R. 25 establishes a national policy for the regulation of strip mining and demonstrates a commitment to an environmentally acceptable method of mining surface coal deposits. Under its provisions, the Nation will be able to use its vast coal reserves to meet our energy needs without raping the land in the process.

Mr. Chairman, we have spent enough time over the past few years debating whether or not we should pass legislation curbing strip mining. We should realize that we must act affirmatively on this issue. The scars on the mountain sides and the prairies will not disappear. The soured streams and washed out hollows wil not be repaired. The ruined lives and homes will not be remade. But, there is in this bill a hope that the future will not be a repeat of the past. H.R. 25 contains some measure of justice for the land, the waters, and the people who have been so abused by the evils of strip mining. I urge its overwhelming passage by the House.

Mr. FRENZEL. Mr. Chairman, today we are beginning consideration of H.R. 25, the Strip Mining Control and Reclamation Act of 1975. This is a lengthy and complex bill but it is one that the Members should be familiar with. Our history of serious consideration goes back to the 92d Congress where we passed a relatively simple bill which later died in the other body. Last session, after 6 days of heated floor debate and more than 50 committee markup sessions we finally passed a bill. Then, following 3 stormy months of conference meetings, the bill was finally sent to the President where it was pocket vetoed on December 30. Early in this session we received a request to make several modifications in bill as finally passed. The committee has accommodated many of these requests and has eliminated the particularly odious Senate provision for special unemployment financing.

The need to devise a regulatory framework for surface mining as well as the surface effects of underground mining is clear. Coal production will be a major weapon in our battle to control our energy situation and build a domestic base of usable power sources. Without definite and coordinated regulations to work from we cannot expect the coal industry to do the job that we are expecting from them. Last year we produced 590 million tons of coal in the United States. This is an enormous figure but there are almost 32 billion tons of strippable coal left in our Western regions alone. As it has been in recent years, almost 70 percent goes into electrical generation. We have an obvious responsibility to lay out a clear and navigable course. The industry needs to know the rules. In the Energy Research and Development Act which we passed last year we indicated a sincere Federal commitment to continued coal production and development. In that bill we allocated over $387 million for basic research, survey needs, and gasification and liquefaction development. Without a reasonable bill this session we will have effectively canceled out those efforts.

Not only must strip mining be regulated but it must be done on a Federal basis. Some 29 States now have regulations but many of them differ considerably from neighboring areas. This, along with frequent lack of sufficient staffing and underfinancing, is a major problem. Those States which have made the greatest efforts in preventing further destruction are often economically punished for their acts. Mining firms, with easily transportable stripping equipment, and a vast number of comparable sites, have simply crossed State lines into less strictly enforced regions and continued business as usual. This indirect penalty system is unfair and is one of the many problems which the Congress is obligated to clear up.

I will not review the individual provisions of the bill because that has been done by several other Members, but I do want to comment on several specific provisions.

One of the most controversial sections of the bill would require mine operators to restore strip mined areas to their approximate original contour. This would include the cleanup of all high

walls, waste piles, and depressions unless insufficient waste remained to do the job.

While this may be a sound idea it does effectively prohibit alternative postmining, recreational, and agricultural uses of the land as well as frequently being economically prohibitive. "Original contour" is not necessary. Environmental compatibility is necessary, and that should be the goal here today.

The reclamation fees of 35 cents for stripped coal and 10 cents for underground mined material are too high. I will be interested in hearing further debate on this factor, but I am primarily concerned with their relation to the economic facts. Although the cost of advanced reclamation techniques, according to the President's Council on Environmental Quality are very small compared to the market value of the coal, these techniques, at committee cost levels, according to the committee report submitted, may raise the average bill to the consumer by as much as 3 percent. This is, for many, a significant rise in total billing and should be thoroughly considered.

The requirements for public participation contained in the bill have received many criticisms. They are not perfect I agree but, with the exception of citizens suits, they should be treated gently in any proposed amendments. In considering the suit question we should remember that the Interior Department will be responsible for the approval of State regulatory programs which must meet or exceed Federal requirements. Following approval of the plan then valid permits can be issued for mining purposes. With this system in effect I cannot agree with the committee that citizens should be allowed to bring suit against an individual operator for abuses under the act when a valid permit for his operations has been issued by the granting agency. The suit should be brought against the agency not the operator.

I am also concerned about the transition period regulations which would be in effect following the enactment of this bill. I fear that it may impose impossible burdens upon the individual States as well as have a devastating effect upon our short-term coal requirements.

We can all agree that we need to pass a strip mining bill. With over a million acres of American soil lying desecrated in various regions of the country and over 80 percent of the known Western coal reserves owned by the Federal Government the need is clear. However, our problem here today is to pass a bill which will allow the continued production of coal without further destroying the environment which we all have to live in. There will be several amendments proposed which are extensions of an abolitionist philosophy—these must be defeated. But we must also keep in mind the probable actions of the other body in strengthening this proposal beyond reasonable limits.

Let us pass a bill that will provide the concrete structure necessary to supply energy to this country.

Mr. DOMINICK V. DANIELS. Mr. Chairman, I rise in support of H.R. 25, the Surface Mining Control and Reclamation Act of 1975.

Anyone who doubts the necessity of this legislation has not seen the scarred and ravaged lands where uncontrolled strip mining operations have taken place. Nor have they spoken with those whose lives have been touched by the tragedy of landslides, mudslides, and flooding that has followed in the wake of uncontrolled strip mining.

The environmental and human costs of strip mining have been overlooked in the computation of the price of this supposedly cheap energy source. In actuality, strip-mined coal has not been cheap at all—it has cost this Nation human life, precious soil and water resources, wildlife, and irreplaceable forest and farmland. Gentle rolling hills that could have been cultivated to produce food have been transformed into barren wasteland that resembles a lunar landscape. Mountains of rubble stand in mute testimony to man's insensitivity and avarice.

For the benefit of my colleagues who may have never seen a strip mine operation, I will provide a brief description.

After a coal seam is discovered, bulldozers and land movers cut a huge swath through the timber to get to the seam.

The seam itself is covered by a network of trees, rocks, soil and plants. These are referred to as the "overburden". It is blasted loose and bulldozed into huge piles, called spoil banks. Without the network of vegetation and their associated deep root systems, the spoil bank begins to erode. It may move slowly, inch by inch, like a great gray glacier, inexorably destroying everything in its path. Or it may erupt in the form of a sudden, catastrophic avalanche, burying homes and farms under its rubble.

When the overburden has been removed, giant augurs bore hundreds of feet into the seam and spiral out the coal. Alternatively, a huge monster-type steamshovel, 10 stories high and as wide as an 8-lane highway, plunges giant jaws into the earth and scoops out 6,000 cubic feet with each bite. All the land around is utterly ravaged, and it may be years before it will again yield vegetation.

The destruction does not stop here. In Appalachia, the extensively strip mined lands receive about 45 inches of heavy rainfall throughout the year. When it rains, the 20,000 miles of strip mine benches in nine mountain States become chemical factories. The exposed rock and soil are rich in iron, manganese, and sulfates, which combine readily with water to form corrosive compounds and acids that sterilize streams and poison wells.

The tragic irony with which we are confronted is that strip mining appears to be our only hope of temporarily closing our energy gap. The total coal recoverable by strip mining is about 128 billion tons, or about 8 percent of our total coal reserves. Because strip mining is considered to be relatively cheap and yields coal quickly, it is the route we may be compelled to take.

But these coalfields will be exhausted within two decades. And in its wake, strip mining could leave 71,000 square miles of desecrated land. This is equal to the total land area of Pennsylvania and West Virginia. Surface mining in the United States has already affected 3.2 million acres of land. Of this total, 2 million acres need varying degrees of treatment to alleviate a range of environmental damage. About 20,000 active operations are disturbing the land at a rate estimated in excess of 150,000 acres annually.

Mr. Chairman, some damage from surface mining is inevitable even with the best mining and land restoration methods. But we can take positive steps to prevent further needless damage and to reclaim mined lands. We can do this by approving the legislation that is before us today. This legislation will enable us to add to the efforts that are already being made by responsible individuals and mining companies and those States that have already enacted laws to regulate surface mining. Despite their good faith efforts, only about one-third of the land being mined is being reclaimed. This waste, this desecration should offend the senses of all responsible people. We are simply not talking about aesthetics—we are talking about economic logic. Land and water are precious resources on which it is almost impossible to put a meaningful price tag.

Mr. Chairman, our need to expand our energy deployment capability should not overshadow our sense of responsibility as stewards of these precious resources. The strident voices of opposition have beleaguered us with the same tired excuses for over 30 years. The time has come to weigh the cost of neglect against the benefits of responsibility. In my view, the scale is tipped in favor of wise resource management. This is why I was proud to add my name as a cosponsor of this significant legislation, and it is the reason that compels me to urge my colleagues to join with me in supporting H.R. 25.

Mr. FLOWERS. Mr. Chairman, I am going to support this bill, but I do so with strong reservations on possible consequences. I believe the language in H.R. 25 pertaining to the requirements for steep slopes is a good example of disregard for the plight of the small operator and his employees as well as for the ability of state regulatory agencies to exercise good judgment.

In 1973, 289.5 million tons of surface mined coal was produced in the United States. Of that total, 140 million tons—48.4 percent—came from the Appalachia states. Of the Appalachian production, 93.5 million tons—66.8 percent—came from mines with a slope angle of 15 degrees or more, and 69.3 million tons—49.5 percent—of Appalachian surface production came from mines of 20 degrees or more. For the Appalachian region, the larger total, 93.5 million tons, is in jeopardy because of the provisions in section 515 (d) (1).

It may be that the full 93 million tons will not be lost, but certainly a substantial portion could and will be lost. The proponents of the bill will tell you operators will merely move to areas where mining can be practiced, and I will tell you that even if that is true, the first coal produced will take 3 to 5 years. In these times of severe energy problems, the potential lost tonnage is sufficient reason enough to consider the effects of this bill,

but added to that must be the serious result of substantial, additional unemployment.

Let us examine another situation. Section 515(c) allows procedures to permit variances from the requirement to return the lands to their approximate original contour. This variance applies only with respect to operations when the postmining land use is deemed to constitute an equal or better economic or public use of the affected land, but this variance applies only to mountain top mining. Now, since all other mining and reclamation performance standards must be met, if the land can be returned to equal or better uses, why should we not provide regulatory authorities with this kind of flexibility? Why should not this same variance apply to my area where steep slope mining takes place. If this inconsistent treatment is not corrected, mountain top mining will have a substantial economic advantage over my State and other States which principally mine on steep slopes.

Nationwide, this bill will cause certain problems and dislocations, particularly for the short run. It should be made to strike an appropriate balance between energy and environmental values.

Approximately 24 million tons of high quality coal moves from southern Appalachian coal fields to electric utilities each year. The reliability of these utility systems is based upon the continued ability of these coal fields to continue to produce and strip coal. If this source is seriously affected, as I think it could be under this bill, not only will this worsen the current energy imbalance, it could well result in brownouts and blackouts in the Eastern United States. Not to mention the substantial increases in electric rates which will result as these coal supplies are lost.

The CHAIRMAN. Pursuant to the rule, the Clerk will now read the committee amendment in the nature of a substitute printed in the reported bill as an original bill for the purpose of amendment.

Mr. HECHLER of West Virginia. Mr. Chairman, in view of the fact we are proceeding to the consideration of the committee amendments, I think it would be advisable to make the point of order that a quorum is not present.

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 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 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 "Surface Mining Control and Reclamation Act of 1975".

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TITLE I—STATEMENT OF FINDINGS AND POLICY

FINDINGS

SEC. 101. The Congress finds and declares that—

(a) extraction of coal and other minerals from the earth can be accomplished by various methods of mining, including surface mining;

(b) coal mining operations presently contribute significantly to the Nation's energy requirements; surface coal mining constitutes one method of extraction of the resource; the overwhelming percentage of the Nation's coal reserves can only be extracted by underground mining methods, and it is, therefore, essential to the national interest to insure the existence of an expanding and economically healthy underground coal mining industry;

(c) many surface mining operations result in disturbances of surface areas that burden and adversely affect commerce and the public welfare by destroying or diminishing the utility of land for commercial, industrial, residential, recreational, agricultural, and forestry purposes, by causing erosion and landslides, by contributing to floods, by polluting the water, by destroying fish and wildlife habitats, by impairing natural beauty, by damaging the property of citizens, by creating hazards dangerous to life and property, by degrading the quality of life in local communities, and by counteracting governmental programs and efforts to conserve soil, water, and other natural resources;

(d) surface mining and reclamation technology are now developed so that effective and reasonable regulation of surface coal mining operations by the States and by the Federal Government in accordance with the requirements of this Act is an appropriate and necessary means to minimize so far as practicable the adverse social, economic, and environmental effects of such mining operations;

(e) because of the diversity in terrain, climate, biologic, chemical, and other physical conditions in areas subject to mining operations, the primary governmental responsibility for developing, authorizing, issuing, and enforcing regulations for surface mining and reclamation operations subject to this Act should rest with the States;

(f) while there is a need to regulate surface mining operations for minerals other than coal, more data and analyses are needed to serve as a basis for effective and reasonable regulation of such operations;

(g) surface and underground coal mining operations affect interstate commerce, contribute to the economic well-being, security, and general welfare of the Nation and should be conducted in an environmentally sound manner; and

(h) the cooperative effort established by this Act is necessary to prevent or mitigate adverse environmental effects of present and future surface coal mining operations.

PURPOSES

SEC. 102. It is the purpose of this Act to—

(a) establish a nationwide program to protect society and the environment from the adverse effects of surface coal mining operations and surface impacts of underground coal mining operations;

(b) assure that the rights of surface landowners and other persons with a legal interest in the land or appurtenances thereto are fully protected from such operations;

(c) assure that surface coal mining operations are not conducted where reclamation as required by this Act is not feasible;

(d) assure that surface coal mining operations are so conducted as to protect the environment;

(e) assure that adequate procedures are undertaken to reclaim surface areas as contemporaneously as possible with the surface coal mining operations;

(f) assure that the coal supply essential to the Nation's energy requirements, and to its economic and social well-being is provided and strike a balance between protection of the environment and the Nation's need for coal as an essential source of energy;

(g) assist the States in developing and implementing a program to achieve the purposes of this Act;

(h) promote the reclamation of mined areas left without adequate reclamation prior to the enactment of this Act and which continue, in their unreclaimed condition, to substantially degrade the quality of the environment, prevent or damage the beneficial use of land or water resources, or endanger the health or safety of the public;

(i) assure that appropriate procedures are provided for the public participation in the development, revision, and enforcement of regulations, standards, reclamation plans, or programs established by the Secretary or any State under this Act;

(j) encourage the full utilization of coal resources through the development and application of underground extraction technologies;

(k) provide a means for development of the data and analyses necessary to establish effective and reasonable regulation of surface mining operations for other minerals;

(l) stimulate, sponsor, provide for and/or supplement present programs for the conduct of research investigations, experiments, and demonstrations, in the exploration, extraction, processing, development, and production of minerals and the training of mineral engineers and scientists in the fields of mining, minerals resources, and technology, and the establishment of an appropriate research and training center in various States; and

(m) wherever necessary, exercise the full reach of Federal constitutional powers to insure the protection of the public interest through effective control of surface coal mining operations.

Mr. UDALL (during the reading). 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 Arizona?

There was no objection.

AMENDMENT OFFERED BY MR. HECHLER OF WEST VIRGINIA

Mr. HECHLER of West Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HECHLER of West Virginia:

Page 173, line 14, strike out all of subsection (d) and insert therein the following:

"(d) while responsibility for regulation of coal surface mining rests with the States, the absence of effective regulatory laws and effective enforcement in many States may require that the Federal Government assume responsibility;

"(e) effective regulation of surface coal mining operations by the States and by the Federal Government in accordance with the requirements of this Act is an appropriate and necessary means to prevent the adverse social, economic, and environmental effects of such mining operations."

Redesignate the following paragraphs accordingly.

Mr. HECHLER of West Virginia. Mr. Chairman, this amendment makes two very simple changes in the findings section of the bill, section 101. I would call the attention of the Committee to the language of the present bill, H.R. 25, on page 173, for example, line 19, which contains the first of several rather weasel-worded phrases, namely: "to minimize so far as practicable."

Mr. Chairman, it seems to me that this is one of the major general difficulties with this bill, that it contains such loopholes and weasel-worded phrases as "to minimize so far as practicable."

So, essentially what my amendment does is first to underline the need for a stronger Federal backup enforcement which is capable of taking over should an individual State fail to enforce this act. It seems to me that we must recognize, as we do in the language of this act, that the failure of State regulations in strip mining, particularly in Appalachia, was one of the major motivating factors for bringing this legislation here for action by the Congress.

Mr. Chairman, I think very properly the Committee on Interior and Insular Affairs called attention to the need for a Federal readiness to take over where States failed to come up with plans and programs under the timetable and requirements of the act. I commend the committee for doing that.

Unfortunately, some of this language was amended out of the bill during floor debate last summer in the House with respect to the precise wording in the findings.

The second part of my amendment would delete the words which I described as being a rather broad loophole "minimize so far as practicable" and replace this with a more positive word "prevent."

The purpose of this bill, after all, is to prevent the adverse social, economic, and environmental effect of strip mining, and this should be set forth very clearly in the findings of the bill. I think it is ridiculous if we start right off in the findings and the preamble of the bill to include language which does not indicate very clearly what the bill intends to do.

For that reason I urge support of this clarifying amendment which calls attention to the need for stating the findings a little more positively.

Mr. UDALL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment should be defeated for two reasons. It would strike out one of the major policy sections in the bill and then rewrite it. The policy section now in the bill on page 173 is a carefully balanced provision that the committee chewed over at some length, which puts the emphasis on State regulation and only Federal regulation as a backup.

The gentleman's amendment would undo that careful compromise.

Second, we tried to be careful in committee against using absolutes like "prevent adverse consequences." It is clear that if we are going to strip mine, there will be some economic and some social consequences, but the bill says we are going to limit and circumscribe those to a considerable degree. So we use the word "minimize."

The gentleman's amendment uses the word "prevent" and I would ask that the committee be supported on this.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. I thank the gentleman for yielding.

This is not a result of an intracommittee compromise. I would like to ask the gentleman, Is it not true that this language was put in in the Hosmer amendment which was adopted on the floor last year rather than being language that was put in in the committee?

Mr. UDALL. This was an attempt, I would say to my friend, the gentleman from West Virginia, to meet some of the objections that we were dealing in absolutes and impossibiles, and we tried to state it carefully and in a balanced way, and I think the committee did this.

Mr. RUPPE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I think the passing of the amendment would well lead to a prohibition against strip mining in this country. I recognize that the gentleman has a very strong feeling on the matter, and, from his point of view, I am sure, some very solid reasons as to why strip mining should be eliminated. The fact of the matter is that we desparately need more mining of surface coal in this country at the present time, and we need to mine it in a balanced way in conformity with this legislation.

I think the use of the word "prevent" could lead to a prohibition. The fact of the matter is one cannot say that when the excavation for this building was initiated there was not some environmental damage to the land under the building. When the addition to the Library of Congress is concluded, I am sure there will be some environmental damage. There will not be any absolute guarantee of absolute prevention of any damage to the land under that foundation. The word "prevent", again the use of an absolute, could lead some court to believe or to render an opinion that would lead to the elimination of strip mining. That is not the direction that this legislation should take. That is not the direction that I believe the committee nor the Congress would want to take. For this reason I do oppose the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia (Mr. HECHLER).

The amendment was rejected.

AMENDMENT OFFERED BY MR. HECHLER OF WEST VIRGINIA

Mr. HECHLER of West Virginia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HECHLER of West Virginia: Page 174, line 4, insert the following new subsection:

"(f) there are a substantial number of acres of land throughout major regions of the United States disturbed by surface and underground coal mining, on which little or no reclamation was conducted, and the impacts from these unreclaimed lands impose social and economic costs on residents in nearby and adjoining areas as well as continuing to impair environmental quality;"

Redesignate the following paragraphs accordingly.

Mr. HECHLER of West Virginia. Mr. Chairman, I certainly am complimented by the remarks of the gentleman from Michigan indicating that my prior amendment would lead toward abolition of strip mining. My amendment merely stated the findings and the purpose of the legislation, so I do not see how it possibly might have led to the abolition of surface mining, but if it did I am very complimented that it went in that direction.

I would say with respect to my amendment, which is merely a statement of fact, that I do not believe it runs the danger my last amendment did, which excited so much opposition of both sides of the aisle.

Mrs. MINK. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentlewoman from Hawaii.

Mrs. MINK. Mr. Chairman, I believe this new paragraph added to the findings merely states what is one of the matters under consideration in the entire bill and I see no objection to its being accepted, and if there is no opposition on the other side I would urge that this amendment be agreed to.

Mr. STEIGER of Arizona. Mr. Chairman, I want to rise in support of the amendment but with the possibility of imposing a mild condition.

I wonder if the gentleman from West Virginia would engage me in a little colloquy here.

Mr. HECHLER of West Virginia. Gladly.

Mr. STEIGER of Arizona. Mr. Chairman, I wonder if the gentleman from West Virginia would care to exchange my invaluable support for this amendment in exchange for his abandonment of several of his other amendments? Could we work something out right here in front of everybody and on the record. If the gentleman from West Virginia will abandon the one amendment in title II, I will trade him this one.

Mr. HECHLER of West Virginia. Is the gentleman announcing his support for all my amendments?

Mr. STEIGER of Arizona. I was afraid the gentleman misunderstood me. His forehead glistened. But I will try it again very slowly. What I am trying to do is to trade my support for this amendment offered by the gentleman for the gentleman's abandonment of the next amendment he will offer in title II. Does that interest the gentleman?

Mr. HECHLER of West Virginia. That idea interests me but this happens to be the situation: the next amendment very directly affects my congressional district.

Mr. STEIGER of Arizona. Oh, in that case I withdraw my suggestion and I support the gentleman's amendment anyway.

Mr. HECHLER of West Virginia. I thank the gentleman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia (Mr. HECHLER).

The amendment was agreed to.

The CHAIRMAN. If there are no further amendments to this title, the Clerk will read title II.

The Clerk read as follows:

TITLE II—OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

CREATION OF THE OFFICE

SEC. 201. (a) There is established in the Department of the Interior, the Office of Surface Mining Reclamation and Enforcement (hereinafter referred to as the "Office").

(b) The Office shall have a Director who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate provided for level V of the Executive Schedule under section 5315 of title 5 of the United States Code, and such other employees as may be required. The Director shall have the responsibilities provided under subsection (c) of this section and those duties and responsibilities relating to the functions of the office which the Secretary may assign, consistent with this Act. Employees of the Office shall be recruited on the basis of their professional competence and capacity to administer the provisions of this Act. No legal authority, program, or function in any Federal agency which has as its purpose promoting the development or use of coal or other mineral resources, shall be transferred to the Office.

(c) The Secretary, acting through the Office, shall—

(1) administer the programs for controlling surface coal mining operations which are required by this Act; review and approve or disapprove State programs for controlling surface coal mining operations; make those investigations and inspections necessary to insure compliance with this Act; conduct hearings, administer oaths, issue subpenas, and compel the attendance of witnesses and production of written or printed material as provided for in this Act; issue cease-and-desist orders; review and vacate or modify or approve orders and decisions; and order the suspension, revocation, or withholding of any permit for failure to comply with any of the provisions of this Act or any rules and regulations adopted pursuant thereto;

(2) publish and promulgate such rules and regulations as may be necessary to carry out the purposes and provisions of this Act;

(3) administer the State grant-in-aid program for the development of State programs for surface coal mining and reclamation operations provided for in title V of this Act;

(4) administer the program for the purchase and reclamation of abandoned and unreclaimed mined areas pursuant to title IV of this Act;

(5) administer the surface mining and reclamation research and demonstration project authority provided for in this Act;

(6) consult with other agencies of the Federal Government having expertise in the control and reclamation of surface mining operations and assist States, local governments, and other eligible agencies in the coordination of such programs;

(7) maintain a continuing study of surface mining and reclamation operations in the United States;

(8) develop and maintain an Information and Data Center on Surface Coal Mining, Reclamation, and Surface Impacts of Underground Mining, which will make such data available to the public and to Federal, regional, State, and local agencies conducting or concerned with land use planning and agencies concerned with surface and underground mining and reclamation operations;

(9) assist the States in the development of State programs for surface coal mining and reclamation operations which meet the requirements of this Act and, at the same time, reflect local requirements and local environmental conditions;

(10 assist the States in developing objective scientific criteria and appropriate procedures and institutions for determining those areas of a State to be designated unsuitable for all or certain types of surface coal mining pursuant to section 522;

(11) monitor all Federal and State research programs dealing with coal extraction and use and recommend to Congress the research and demonstration projects and necessary changes in public policy which are designated to (A) improve feasibility of underground coal mining, and (B) improve surface mining and reclamation techniques directed at eliminating adverse environmental and social impacts; and

(12) perform such other duties as may be provided by law and relate to the purposes of this Act.

Mr. UDALL (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 Arizona?

Mr. DINGELL. Mr. Chairman, reserving the right to object, I will not object, but I do so just for purposes of engaging in a colloquy with my friend, the gentleman from Arizona. I am sure he will see to it that all Members who have an amendment to offer will get an opportunity to do so.

Mr. UDALL. Mr. Chairman, the only purpose of my request is to expedite and not to cut off discussion.

Mr. DINGELL. I thank the gentleman.

Mr. STEIGER of Arizona. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. Mr. Chairman, I yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. I ask the gentleman to yield for the purpose of engaging the gentleman from Arizona in a colloquy. This bill, I would advise my friend, as my friend is aware, apparently has confused some of the Members of the other body into believing the bill as it is now written would allow the States to impose regulations on Federal lands.

Mr. UDALL. No, as I discussed earlier today in the colloquy with the gentleman from Michigan this problem. The understanding I have with the bill is that if Federal lands are to be put outside the bounds of surface mining, it be done under Federal act under the designations section and not by delegating authority to do that in the States.

Mr. DINGELL. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Are there amendments to title II?

AMENDMENT OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DINGELL: On page 177, lines 4 and 5 strike "in the Department of the Interior," and insert therein "in the Environmental Protection Agency,".

On page 177, strike all on line 22 and insert therein the following: "(c) Except as specifically provided elsewhere in this Act, the Director shall—".

Mr. DINGELL. Mr. Chairman, I have amendments to section 201 of title II and sections 701 and 712 of title VII of H.R. 25 which were printed in the RECORD of March 13, 1975, beginning on page 6631 as required by rule XXIII, clause 6.

Mr. Chairman, my amendment would transfer some, but not all, of the functions prescribed by this bill to the Environmental Protection Agency.

The Interior Department is essentially a land management and research and development oriented agency. It also has regulatory responsibilities. But in this area, Interior has been quite ineffective, and constantly under fire for showing too much favoritism toward the energy industries.

Indeed, for several years it has had regulations governing surface mining on Federal lands. But the regulations are weak, and the General Accounting Office was critical of Interior's even weaker enforcement of them.

The GAO has also been highly critical of Interior's weak enforcement of the 1969 coal mine health and safety law and oil and gas operations on the Outer Continental Shelf, as has the House Committee on Government Operations and my own Small Business Subcommittee.

I think it wrong to place another energy regulatory burden on Interior.

My amendment would transfer the regulatory functions of the bill to EPA, while carefully separating within EPA the functions so that the new Office of Surface Mining Reclamation and Enforcement will not act as policeman, prosecutor, and judge.

I urge the adoption of my amendment.

Under the proposed amendment, administration of H.R. 522 will be divided as follows:

To the Secretary of the Interior:

First. All of title III concerning State mining and mineral resources and research institutes;

Second. All of title IV concerning the reclamation of abandoned mines;

Third. All of title VI concerning the designation of lands unsuitable for noncoal mining;

Fourth. Section 522(b), which provides for a review of Federal lands to determine which areas are unsuitable for surface coal mining;

Fifth. Section 523 (b) through (e), which relates to Federal mineral leases, permits, or contracts involving surface mining which are now administered by Interior;

Sixth. Section 701(10) and 710 concerning Indian lands;

Seventh. Section 713, research and demonstration;

Eighth. Section 714, surface owner protection are federally owned mineral rights; and

Ninth. Section 702(b), Federal lands.

To the Environmental Protection Agency and the Director of the new Office of Surface Mining Reclamation and Enforcement:

First. Section 201, which places the new office in EPA.

Second. Title V, all of the regulatory functions of title V; namely, sections 501 through 504, 506, 516, 517, 518, 521, 523 (a) and (c) through (e), 525, 526, 529.

Third. Section 703, employee protection functions.

Fourth. Section 705, grants to the States.

Fifth. Section 708, Alaskan surface coal mine study oversight responsibility.

Mr. UDALL. Mr. Chairman, I rise in opposition to the amendment. Mr. Chairman, this is a balanced compromise bill. It is assaulted by one side, by the environmentalists, who say it is weak and you cannot stop the excesses. It is assaulted by the industry, who says it will stop the production of coal.

This amendment will upset a series of four or five major compromises. The question arose very early on that if we are going to have a new strip mining law, who would enforce it? The environmentalists argue that the Environmental Protection Agency should enforce it. The compromise was that the Department of the Interior would enforce it. But some of the concerns expressed by the gentleman from Michigan are concerns that I agree with. The Department of the Interior has been too cozy with the coal industry over the years. So as part of the compromise, we set up a new office in the Department of the Interior to be separate and apart from those divisions of the Department of the Interior that promote coal production and have been identified with the industry previously.

The gentleman's amendment upsets that compromise, takes the enforcement out, puts it in the EPA, and I think this would be unwise. I think this new office can do the job, and we have safeguards in the bill to see that this is done.

Mr. DINGELL. Mr. Chairman, will the gentleman yield?

Mr. UDALL. Yes, I yield to the gentleman.

Mr. DINGELL. Mr. Chairman, I suspect the gentleman wants a strong bill and is not totally satisfied with what we have before us. I think the gentleman has already indicated to us his personal preference what kind of action should lie in EPA. I am sure the gentleman would support the compromise. I support his compromise.

Mr. UDALL. I would have supported that view of it originally. But we made a compromise, and I am going to stick with it. We insisted that this be a brandnew office of Interior.

Mr. DINGELL. Mr. Chairman, will the gentleman yield further?

Mr. UDALL. Yes.

Mr. DINGELL. Mr. Chairman, the gentleman is probably doing what he should, and I am well satisfied. But the hard fact of the matter is that the Department of the Interior has a miserable track record in these kinds of matters, as I am sure the gentleman will agree.

Mr. UDALL. We are going to keep their feet to the fire, and I think they will enforce the spirit of this law.

Mr. STEIGER of Arizona. Mr. Chairman, will the gentleman yield?

Mr. UDALL. I yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. I would just like to join in opposition to the amendment and perhaps give sort of a laboratory sample of why this bill is indeed a compromise. I am in hysterical opposition, I want to tell my friend, because the one single thing that would make this bill even more intolerable—and it is intolerable—would be to have the EPA, an advocate of pristine atmospheric, hypogenic values and the public be damned, that kind of an attitude, administering these kinds of ambiguous regulations would guarantee the destruction not only of this great resource but of this land itself, and would fall like an overripe fruit in the hands of the waiting Communist hordes.

Mr. UDALL. The gentleman moves me very much with his oratory.

Another practical reason I oppose this amendment is that I suspect we will be back in this Chamber trying to override a veto.

Mr. OTTINGER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the very good amendment offered by the gentleman from Michigan (Mr. DINGELL).

I think that the "overripe fruit" that is likely to drop is the efficacy of this legislation if the amendment is not adopted. Our experience with the Interior Department is that it is so completely dominated by the interests that it is supposed to regulate in the public interest, that the legislation would be rendered virtually meaningless if it were given the responsibility for enforcement.

I think that if we are serious about getting some protection for our environmental concerns and not having the land raped, we must make sure that we have meaningful enforcement. If we pass legislation, we want to see to it that it is carried out. The EPA will do it. Interior would not.

It happens all too frequently that we pass legislation in this body and then sit by idly and see that legislation frustrated through lack of enforcement and through conflicts of interest that do exist within the executive body.

I think this is important legislation. We ought to see that it is carried out. With all due respect, to both my friends from Arizona, Mr. UDALL and Mr. STEIGER, the compromise is a bad one.

Mr. Chairman, I strongly urge the adoption of this amendment.

Mr. RONCALIO. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I wanted to abstain from speaking. But since my good friend and colleague from the 89th District, the gentleman from New York, DICK OTTINGER, spoke for the amendment, I rise in the hope that I might hold a few freshmen votes in support of the committee version.

This is a finely honed compromise. I do wish to defend the attitude of the Department of the Interior on some en-

vironmental problems in the last several years. I think there has been no more conscientious spokesman for environmental protection than the brother of the gentleman from Arizona (Mr. UDALL), the former Secretary of the Interior, Stewart Udall, in the years he was in that post. He did much to correct the abuses of the past decades which have caused so much of the criticism of the Interior Department.

So, Mr. Chairman, I will ask the Members to please stay with the committee bill. I urge a vote against the amendment. We will take care of this change next year if it proves warranted and we should support the committee now if we are going to get a law on the statute books now, concerning surface mining.

Mr. RUPPE. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

Mr. Chairman, I think we have a very tough and a very rigorous bill before this Committee. We have a piece of legislation that is 166 pages in length. It covers every facet of mining reclamation and the problems of the environment, and I believe it is a measure worthy of support by the majority of this House.

I would like also to point out that in the lobbying that has gone on both last year and this year within the administration, the Interior Department has time and time again come out in favor of the tougher way of regulating strip mining. It has come out time and time again for very rigorous legislation, and of all the agencies in Government, the Department of the Interior has time and time again fought for this legislation. It has fought for the most rigorous and the toughest portions of this legislation, and within the administration it certainly has been a very forceful voice, not only in support of the legislation, but in support of strip mining control and in support of regulations that would protect the environment.

Mr. Chairman, let me just point out one thing that this legislation contains. There are 10 different instances, for example, when we can have citizen participation. There are 10 different instances of that. So this, to my way of thinking, shows that the legislation basically is tough, and the fact that the Interior Department and Rogers Morton have time and time again lobbied for the legislation is a very strong indication to me that they mean business, and that they will do a very forceful and a very good job of managing the legislation after it passes the Congress.

Mr. HECHLER of West Virginia. Mr. Chairman, I move to strike the requisite number of words, and I rise in support of the Dingell amendment.

Mr. Chairman, this is one of the most important strengthening amendments to come before the Committee of the Whole and I hope that the Committee will support it.

There is a group of individuals who cannot vote to override the veto that the President expects to make of this bill, and if we do not strengthen it sufficiently, it will not be worth overriding the veto.

I will simply observe in substantive argument in support of the Dingell amendment that the Department of the Interior is basically a management agency. It manages land and resources. On the other hand, the Environmental Protection Agency is an agency which is occupied primarily with setting standards and regulations, such as the control of air and water pollution and the control of pesticides.

Many of the problems that are associated with the strip mining of coal relate to air and water pollution. Therefore, I think it is quite logical, with the experience and expertise under the management and regulatory staff that the Environmental Protection Agency has developed over the years, that this function should be placed in EPA.

The gentleman from Arizona once again remarked that this bill was a compromise. I think we ought to do something right, right at the start instead of coming in with a piece of legislation which is a very loose series of bandaids on a very serious cancer like strip mining. The issue is, whether this overripe fruit that my very good friend, the gentleman from Arizona, referred to may not turn out to be a great moonscape as a result of all the strip mining that is devastating the land.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I gladly yield to the gentleman from New York.

Mr. OTTINGER. Is it not a fact, with all due deference to my friend, the gentleman from Michigan (Mr. RUPPE), that when the Interior Department came up and testified on this legislation a couple of years ago, it supported the most important of and the great majority of the weakening amendments, rather than the strengthening amendments?

Mr. HECHLER of West Virginia. It is not only a fact that the Department of the Interior testified for weakening the legislation in 1973, also, the Department of the Interior testified as recently as last month when they were given an opportunity to meet with the committee that they had weakening amendments they desired. There was constant pressure for weakening the effect of this legislation.

Mr. OTTINGER. If the gentleman will yield further, as I recall, the Interior Department came out against having a strong Federal role in this legislation.

Mr. HECHLER of West Virginia. That is correct; from the very start, the Department of the Interior has attempted to weaken the bill and lessen the Federal role.

Mr. OTTINGER. They came out against having strong provisions for citizens' suits to enforce the legislation.

Mr. HECHLER of West Virginia. The gentleman is correct.

Mr. OTTINGER. From their attitude, one would assume that they really are not for strong legislation at all and would not enforce it well.

Mr. HECHLER of West Virginia. As a matter of fact, the gentleman from Arizona (Mr. UDALL) remarked during the last session of Congress when we were debating this bill that the only contribution made by the administration was in weakening the bill.

Since I mentioned the gentleman's name, perhaps I should yield to him on that point.

Mr. OTTINGER. If the gentleman will yield a little further, I would like to find out about this compromise.

Between whom is this compromise? It cannot be between the two gentlemen from Arizona. I take it that the gentleman from Arizona (Mr. STEIGER) is not going to support this legislation.

Can we be informed with respect to the nature of who is involved in the compromise?

Mr. UDALL. Mr. Chairman, if the gentleman will yield, what I said was that the bill is a compromise. The compromising was done in two places, one in the Committee on Interior of the House over a period of months and months during the markup, and second, the compromise occurred in the Committee on Ways and Means, which was between God and the taxpayers and influenced by the parties of one of the first conference committees in the history of the Congress that was open.

Mr. HECHLER of West Virginia. To continue, is there any reason whatsoever that this House of Representatives, acting through the Committee of the Whole, has to take whole hog a piece of legislation simply because it comes to us with some delicate compromises that are the result of pressure on the part of the coal industry?

Mr. OTTINGER. If the gentleman will yield further, I think that we are going to have the votes to pass strong legislation and to pass it with enough of a majority to indicate that we can override a veto, and I do not think there is any need to compromise on the very critical question of whether this legislation is going to be enforced effectively.

Mr. HECHLER of West Virginia. Mr. Chairman, I urge strong support for the Dingell amendment.

Mr. ANDREWS of North Dakota. Mr. Chairman, I move to strike the requisite number of words. I rise in opposition to the amendment, and I yield to the gentleman from Michigan (Mr. RUPPE).

Mr. RUPPE. Mr. Chairman, I thank the gentleman for yielding.

I just want to point out that much of the opposition voiced by the Interior Department to the legislation as it has been written is their opposition to some of the absolute words in the legislation like "prohibit" and "prevent."

I do not think, frankly, that when we mine coal throughout the United States we can prohibit or prevent any environmental or social degradation. Frankly, if those words in the legislation are not deleted, there will be untold litigation in the months and years ahead. It is going to retard, if not prevent, mining; and I think the Interior Department has every reason to get those absolute words out of the legislation.

I think we ought to ask ourselves also whether, indeed, there is any agency, other than EPA, that can do a job like this.

Let me say that even these four woebegone States at times have done an ex-

cellent job. Ohio and Pennsylvania have done a superb job in regulating surface mining of coal in those two States; and I think if the rest of the States of the United States passed legislation similar to what Pennsylvania and Ohio have, we would have no need for the legislation that is before us here today.

So often people think that EPA is some magic word for perfection, that somehow it will manage the environment and protect against degradation of land values better than any other agency. But even the EPA can make a mistake a time or two.

I recall the other day that EPA was given a good deal of credit or discredit for coming up with the catalytic converter to solve the problem of automobile emissions as far as hydrocarbons and carbon monoxide are concerned. Yet it turned out that the catalytic converter is spewing out sulfuric acid in the atmosphere in uncontrolled amounts.

So I question whether it is absolutely imperative that we give EPA the control and regulatory authority for the legislation that passes this House.

The Department of the Interior and Secretary Rogers Morton are committed to the legislation before us, and they will certainly do a good job in providing the proper regulatory framework. I believe the amendment should be defeated.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman yield?

Mr. ANDREWS of North Dakota. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Chairman, I wonder if I may direct a question to the gentleman from Michigan?

Is the Secretary of the Interior going to advise the President to sign this legislation? I would assume that was what the gentleman from Michigan is saying.

Mr. RUPPE. Mr. Chairman, I cannot of course speak for the Secretary of the Interior, but let me say that within the agency there are different degrees of support and this is not any secret on either side of the aisle—the Secretary of the Interior has been an advocate of a strong piece of legislation, and within the debate inside the administration he has certainly been the voice of support for the bill. So I believe he would urge the President to sign the bill, albeit it is not exactly a secret, either, that the Interior's voice is not the only voice heard by the President when he makes a final determination for supporting or withholding his support for the bill.

Mr. HECHLER of West Virginia. Mr. Chairman, if the gentleman will yield still further, can the gentleman from Michigan name me one amendment, one piece of testimony, or anything that the Secretary of the Interior has done, which would urge strengthening of this bill in any respect during the course of the year, or during the course of the discussion with regard to this legislation?

Mr. RUPPE. We have to remember that when the bill came out early last year the bill provided almost a prohibition on surface mining of coal. It was a bill under which, at that time, there could have been, mind you, no surface mining of coal. It is a little difficult to take a bill which would have essentially abolished the surface mining of coal and toughen it any further.

Mr. BROWN of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Michigan. I recognize the need for a realistic compromise in passing this legislation. I am sure that the distinguished subcommittee chairman, the gentleman from Arizona, has carefully crafted a piece of legislation which he does not wish to have disturbed. I am cognizant of the words of the other gentleman from Arizona (Mr. STEIGER) about the dire effects of having EPA involved in the regulation of certain environmental aspects of this bill. I want to assure the gentleman that he should not have that much fear.

The EPA has proved quite realistic in its attitude toward environmental matters, as its recent action in connection with automobile exhaust emissions has indicated.

Frankly, I will support this amendment not because I feel that EPA is going to be such a great improvement over the Depatrment of the Interior in the rigor with which it enforces this bill, but because I think it is better qualified by virtue of its personnel, and the kind of actions which it is accustomed to taking to perform the kind of actions that are required by the environmental regulations that are contained in this bill. It is a logical place in which to put this responsibility. I think it would be as realistic in looking at the problems of the coal industry as it has been in looking at the problems of the automobile industry. Frankly, I do not think it has to be that realistic, and I would wish that it were not, but it will be under the present administration. I would support the amendment, therefor, on the ground that EPA is better qualified to accomplish the task, do it more effectively, and possibly more economically than can the personnel of the Department of the Interior.

It is for that reason that I am supporting the amendment to give the EPA this responsibility rather than any strong feeling on my part that they are going to actually engage in the kind of rigorous enforcement which some of the opponents of the amendment seem to fear.

Mrs. MINK. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the amendment.

I think that we are all very much interested in having effective enforcement and a comprehensive approach toward the promulgation of regulations in conformity with the legislation that we are considering. But it seems to me that we have to take at least two points in considering the gentleman's amendment. One is the past experience that the Department of the Interior has had over the coal mining industry in various aspects, not only in research but the actual day-to-day aspects of inspecting the coal mines with respect to the safety and health of the miners. In connection with that, most of the reserves we are dealing with are Federal coal reserves. When we talk about the development of the West, we are basically dealing with Federal coal.

In conjunction with that, the Department of the Interior has promulgated regulations in late December or January to help begin the process of regulating our own coal development and production. So in that light it seems to me that if we were now to carve out of this bill the responsibilities for promulgating regulations and for enforcing them to a new agency that does not have the experience in this area, we will simply be delaying the whole operation and effectiveness of this very, very complex piece of legislation.

Second, I think it must be pointed out that EPA has a very definite role in the bill. We have given at least in two instances in the bill that come to my attention specific veto to the EPA. We require written concurrence with not only the promulgation of the regulations in the first part, but also the issuance of the permit, so with respect to the clean air-water concepts with which EPA has prime responsibility, we have very carefully written into this piece of legislation their important role, and we have recognized their responsibility in this respect.

So it seems to me that instead of changing the whole course of implementing this legislation at this late date, what we should do is give the Department of the Interior the responsibilities as written in the bill, and if down the road we find that they have been ineffective and nonresponsive to the environmental concerns of this country, then perhaps at that time it would be appropriate to take another look at this section and perhaps put their feet to the fire and change the administration to another agency.

Mr. SEIBERLING. Mr. Chairman, will the gentlewoman yield?

Mrs. MINK. I yield to the gentleman from Ohio.

Mr. SEIBERLING. I thank the gentlewoman for yielding.

I agree with everything the gentlewoman has said but I am going to vote for this amendment. The reason why I am going to vote for it is that it will give us an opportunity in conference to rewrite this bill so that we will make sure that the Office of Enforcement in the Department of the Interior is in an independent status and not put under MESA, which would, in effect, make it a weak body.

Mrs. MINK. I would simply like to conclude by saying that most of us on the committee are very much aware of the many deficiencies in the Department of the Interior, and we are working with them on a day-to-day basis in our oversight responsibilities. But it seems to me in this one area in the development of our coal resources that the Department of the Interior should be given the opportunity to move ahead. It is Federal coal we are dealing with by and large, and they have already promulgated regulations at least initially that seek to implement some of the provisions of this

law. So I would urge the House to defeat this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Michigan (Mr. DINGELL).

The question was taken; and on a division (demanded by Mr. HECHLER of West Virginia) there were—ayes 20, noes 36.

Mr. HECHLER of West Virginia. Mr. Chairman, I demand a recorded vote.

A recorded vote was refused.

So the amendment was rejected.

The CHAIRMAN. Are there further amendments to title II?

Mr. ROUSSELOT. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Eighty Members are present, not a quorum.

The Chair announces that 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. 101 Members have appeared. A quorum of the Committee of the Whole is present. Pursuant to the provisions of clause 2, rule XXIII, further proceedings under the call shall be considered as vacated.

The Committee will resume its business.

Are there further amendment to title II?

AMENDMENT OFFERED BY MR. SEIBERLING

Mr. SEIBERLING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SEIBERLING: Page 177, line 6, strike the period and add "under the Assistant Secretary for Land and Water Resources."

Page 177, line 10, strike "V" and insert "IV."

Mr. SEIBERLING. Mr. Chairman, this is a very simple amendment. It is one which I think will solve the problem we have been wrestling with by making it clear that the individual who is in charge of the Office of Surface Mining Reclamation and Enforcement will report to the Assistant Secretary who has to do with land and water resources rather than the one who has to do with coal mine safety and enforcement. This will put him at a level equal to the Administrator of MESA.

Mr. Chairman, that is all there is to it.

Mr. STEIGER of Arizona. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from Arizona.

Mr. STEIGER of Arizona. Mr. Chairman, I will ask the gentleman, is there a copy of the gentleman's amendment available anywhere?

Mr. SEIBERLING. No. The Clerk has a copy. I wrote it out in longhand.

Mr. STEIGER of Arizona. Does the Clerk intend to vote on the amendment?

Mr. SEIBERLING. That is up to him.

Mr. STEIGER of Arizona. Mr. Chairman, perhaps there are some of us who would vote for it if we could see what it says.

I now have a copy of the amendment, and I see that the handwriting is terrible.

Mr. UDALL. Mr. Chairman, will the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from Arizona.

Mr. UDALL. Mr. Chairman, this amendment goes a small way toward meeting the objections raised by the gentleman from Michigan (Mr. DINGELL). I think the amendment strengthens the bill, and I support it.

Mr. SEIBERLING. Mr. Chairman, I thank the gentleman for his remarks.

Mr. STEIGER of Arizona. Mr. Chairman, I rise in opposition to the amendment.

I realize that no Member here knows what is in this bill, but this is ridiculous. There is not a single Member here who understands what we are doing by striking something and adding "under the Assistant Secretary for Land and Water Resources."

I would suggest to my colleagues that whatever this remedies cannot possibly be worthy of support, for it means further destruction in an already totally destructive process.

Mr. Chairman, I will ask my friend, the gentleman from Ohio, to either withdraw this amendment or to explain it further. I suggest that if he takes the time to explain it, it clearly is not going to be listened to. And even if every Member in this room at this moment understood it, that would still be less than one-quarter of the Congress.

Mr. Chairman, it just seems to me that my friend, the gentleman from Ohio, is asking us to take an awful lot on good faith. If it is not a measured, substantial amendment, it should not be handled in this way, and if it is, it certainly should not be handled like this in this type of legislation.

Mr. UDALL. Mr. Chairman, if the gentleman will yield, the amendment is very simple.

Mr. STEIGER of Arizona. They always are.

Mr. UDALL. Mr. Chairman, I think my friend, the gentleman from Arizona, can understand it. I believe this is so simple that the people in the Interior Department, even the Members over there, can understand it.

Mr. STEIGER of Arizona. Mr. Chairman, I was hoping he would not make it so plain that the RECORD would understand it.

Mr. UDALL. Mr. Chairman, there are several Assistant Secretaries of the Interior.

Mr. STEIGER of Arizona. I thank the gentleman for pointing that out.

Mr. UDALL. Mr. Chairman, some of them deal with production of resources and the management of public lands; others are more concerned with conservation and parks.

What the gentleman's amendment says is this: "Let us put this new Office of Surface Mining Reclamation and Control under that Assistant Secretary who deals with land and water resources and not under one of the other Assistant Secretaries."

Mr. STEIGER of Arizona. Mr. Chairman, I will ask the gentleman from Ohio this: What is the gentleman's rationale? Does he know something about the character and makeup of the Assistant Secretary of Land and Water Resources that we do not know about the character of some of the others? Is this a reflection on the character of the other legion of Assistant Secretaries? Why does the gentleman make this differentiation?

Mr. SEIBERLING. Mr. Chairman, if the gentleman from Arizona will yield, the gentleman happened to testify before my subcommittee today, so I can safely say he is a gentleman of fine character. But that has nothing to do with the case.

Mr. STEIGER of Arizona. The gentleman likes the present Assistant Secretary for Land and Water Resources?

Mr. SEIBERLING. I really have no opinion.

Mr. STEIGER of Arizona. The gentleman knows nothing about him?

Mr. SEIBERLING. I have no opinion.

Mr. STEIGER of Arizona. The gentleman has no opinion about him at all, and yet he wants us to take this blanket amendment and translate it into the statute.

Mr. SEIBERLING. Mr. Chairman, I have not——

Mr. STEIGER of Arizona. Mr. Chairman, I will ask my friend, the gentleman from Ohio, is that not so?

Mr. SEIBERLING. This is not an ad hominem amendment.

Mr. STEIGER of Arizona. I will not yield any further. I tell the distinguished gentleman this: I believe the phrase is: "Nice guys finish last." I will not yield any further.

I want to tell my friend, the gentleman from Ohio (Mr. SEIBERLING), that I do not think he ought to put this new bureau under that sort of person.

Mr. Chairman, I suggest that we vote this amendment down and press on.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. SEIBERLING).

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

Mr. STEIGER of Arizona. Mr. Chairman, on that I demand a recorded vote and make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. STEIGER of Arizona. I am told Mr. Chairman, that you are not honoring my point of order that a quorum is not present.

The CHAIRMAN. The Chair has counted 21 Members to this point.

Mr. STEIGER of Arizona. Mr. Chairman——

The CHAIRMAN. The Members will be seated. The Chair is counting for a quorum.

Mr. STEIGER of Arizona. Mr. Chairman, another point of order. I do not want to confuse anyone here. I would ask the Chair this: Is it true that if 21 Members are standing, that is a sufficient number on which to base a rollcall vote and we would then avoid the necessity of demanding a quorum? It obviously is not here anyway.

The CHAIRMAN. Is the gentleman from Arizona withdrawing his point of no quorum?

Mr. STEIGER of Arizona. No. I am just asking, if there are 21 Members who responded to my demand for a rollcall,

which I coupled very cleverly with a point of order that a quorum was not present, that is sufficient if 20 were standing, but the Chair announced that 21 were standing.

The CHAIRMAN. The point of no quorum must be disposed of first.

Mr. STEIGER of Arizona. Even though the demand preceded the point of order?

The CHAIRMAN. Yes.

Mr. STEIGER of Arizona. This is very interesting. I want all the Members to remember that.

Mr. UDALL. Mr. Chairman, if the gentleman will yield, I ask him to withdraw it and I will support his request for a vote and we will thereby save time.

Mr. STEIGER of Arizona. All right. I think it is going to work out.

The CHAIRMAN. Sixty-eight Members are present, evidently not a quorum.

The Chair announces that 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 and two 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 pending business is a demand for a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 145, noes 100, not voting, 187, as follows:

[Roll No. 52]

AYES—145

Alexander	Forsythe	Mitchell, Md.
Ambro	Giaimo	Moakley
Anderson, Calif.	Gibbons	Moffett
Ashley	Green	Mollohan
AuCoin	Gude	Morgan
Baldus	Haley	Moss
Baucus	Hall	Natcher
Bennett	Hamilton	Nolan
Bergland	Hannaford	Nowak
Bingham	Harkin	Oberstar
Blanchard	Harris	Obey
Blouin	Hayes, Ind.	Ottinger
Bolling	Hechler, W. Va.	Passman
Bonker	Holland	Patman
Breckinridge	Holtzman	Patterson, Calif.
Brinkley	Hubbard	Perkins
Brodhead	Hughes	Preyer
Brown, Calif.	Jacobs	Price
Burke, Calif.	Jeffords	Rees
Burke, Mass.	Jenrette	Regula
Burlison, Mo.	Jones, N.C.	Richmond
Burton, Phillip	Jones, Okla.	Riegle
Carr	Kastenmeier	Roncalio
Chisholm	Keys	Rooney
Clay	Krebs	Roush
Collins, Ill.	Krueger	Roybal
Cornell	LaFalce	Russo
Danielson	Leggett	Ryan
Derrick	Lehman	Sarbanes
Dingell	Long, La.	Scheuer
Downey	Long, Md.	Schroeder
Drinan	McFall	Seiberling
du Pont	McHugh	Sharp
Eckhardt	Macdonald	Slack
Emery	Madden	Smith, Iowa
English	Maguire	Solarz
Evans, Colo.	Mann	Spellman
Fascell	Matsunaga	Stanton, J. William
Fenwick	Mazzoli	Stanton, James V.
Fish	Melcher	Stark
Fisher	Mezvinsky	Steed
Flood	Miller, Calif.	Stokes
Foley	Mineta	
	Mink	
Studds	Van Deerlin	Wilson, Charles, Tex.
Sullivan	Vander Veen	Wirth
Thornton	Vanik	Yatron
Traxler	Vigorito	Zablocki
Tsongas	Weaver	
Udall	Whalen	

NOES—100

Andrews, N. Dak.	Hastings	Randall
Annunzio	Hicks	Risenhoover
Armstrong	Hightower	Roberts
Bauman	Hillis	Robinson
Bevill	Hinshaw	Rogers
Biester	Holt	Rose
Brown, Mich.	Howe	Rousselot
Brown, Ohio	Hyde	Ruppe
Broyhill	Ichord	Sarasin
Buchanan	Johnson, Colo.	Satterfield
Burgener	Johnson, Pa.	Schneebeli
Burke, Fla.	Kasten	Shriver
Burleson, Tex.	Kazen	Shuster
Byron	Kemp	Sikes
Carter	Lagomarsino	Skubitz
Clausen, Don H.	Latta	Steiger, Ariz.
Clawson, Del	Lloyd, Tenn.	Stephens
Cohen	McCloskey	Symms
Daniel, Dan	McCollister	Taylor, N.C.
Daniel, Robert W., Jr.	McDade	Teague
de la Garza	McDonald	Thone
Dickinson	Madigan	Treen
Duncan, Oreg.	Mahon	Waggonner
Erlenborn	Martin	Walsh
Findley	Miller, Ohio	Wampler
Gonzalez	Montgomery	White
Goodling	Moore	Whitten
Gradison	Moorhead, Calif.	Wiggins
Grassley	Mosher	Wilson, Bob
Guyer	Myers, Pa.	Winn
Hagedorn	Nichols	Wright
Hansen	Poage	Young, Alaska
	Pressler	Young, Fla.
	Quie	Young, Tex.

NOT VOTING—187

Abdnor	Eilberg	McKinney
Abzug	Esch	Mathis
Adams	Eshleman	Meeds
Addabbo	Evans, Ind.	Metcalfe
Anderson, Ill.	Evins, Tenn.	Meyner
Andrews, N.C.	Fithian	Michel
Archer	Florio	Mikva
Ashbrook	Flowers	Milford
Aspin	Flynt	Mills
Badillo	Ford, Mich.	Minish
Bafalis	Ford, Tenn.	Mitchell, N.Y.
Barrett	Fountain	Moorhead, Pa.
Beard, R.I.	Fraser	Mottl
Beard, Tenn.	Frenzel	Murphy, Ill.
Bedell	Frey	Murphy, N.Y.
Bell	Fulton	Murtha
Biaggi	Fuqua	Myers, Ind.
Boggs	Gaydos	Neal
Boland	Gilman	Nedzi
Bowen	Ginn	Nix
Brademas	Goldwater	O'Brien
Breaux	Hammerschmidt	O'Hara
Brooks	Hanley	O'Neill
Broomfield	Harrington	Patten
Burton, John	Harsha	Pattison, N.Y.
Butler	Hawkins	Pepper
Carney	Hays, Ohio	Peyser
Casey	Hébert	Pickle
Cederberg	Heckler, Mass.	Pike
Chappell	Hefner	Pritchard
Clancy	Heinz	Quillen
Cleveland	Helstoski	Railsback
Cochran	Henderson	Rangel
Collins, Tex.	Horton	Reuss
Conable	Howard	Rhodes
Conlan	Hungate	Rinaldo
Conte	Hutchinson	Rodino
Conyers	Jarman	Roe
Corman	Johnson, Calif.	Rosenthal
Cotter	Jones, Ala.	Rostenkowski
Coughlin	Jones, Tenn.	Runnels
Crane	Jordan	St Germain
D'Amours	Karth	Santini
Daniels, Dominick V.	Kelly	Schulze
Davis	Ketchum	Sebelius
Delaney	Kindness	Shipley
Dellums	Koch	Simon
Dent	Landrum	Sisk
Derwinski	Lent	Smith, Nebr.
Devine	Levitas	Snyder
Diggs	Litton	Spence
Dodd	Lloyd, Calif.	Staggers
Downing	Lott	Steelman
Duncan, Tenn.	Lujan	Steiger, Wis.
Early	McClory	Stratton
Edgar	McCormack	Stuckey
Edwards, Ala.	McEwen	Symington
Edwards, Calif.	McKay	Talcott
		Taylor, Mo.
Thompson	Wilson, Charles H., Calif.	Wylie
Ullman	Wolff	Yates
Vander Jagt	Wydler	Young, Ga.
Waxman		Zeferetti
Whitehurst		

So the amendment was agreed to.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. OTTINGER

Mr. OTTINGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OTTINGER: Page 177, lines 3 to 6, strike out all after "SEC. 201(a)" and insert the following: "There is established in the Environmental Protection Agency, which is to act in consultation with the Department of Interior with respect to this Act, the Office of Surface Mining Reclamation and Enforcement (hereinafter referred to as the "Office").

On page 177, strike all on line 55 and insert:

"(c) Except as specifically provided elsewhere in this Act, the Director, in consultation with the Secretary of the Interior, shall—"

Mr. OTTINGER. Mr. Chairman, the purpose of this amendment is to accomplish the substance——

Mr. STEIGER of Arizona. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I will yield after I have finished my statement.

Mr. STEIGER of Arizona. Mr. Chairman, may we have a copy of the amendment? That is all I want. We do not have a copy of the amendment.

Mr. OTTINGER. There is a copy of the amendment at the desk.

Mr. Chairman, what this amendment does, if the gentleman from Arizona will listen for 1 minute, is identically——

PARLIAMENTARY INQUIRY

Mr. STEIGER of Arizona. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. STEIGER of Arizona. Mr. Chairman, without a copy of the amendment, we cannot understand the purpose of the amendment.

I thought that under the new rules we are under some obligation to provide some sort of amendment in written form so that those Members who wish to go to the extra effort might read and understand what is going on.

Am I correct or incorrect, Mr. Chairman?

The CHAIRMAN. It does not stop the consideration of an amendment, although that is supposed to be the custom.

Mr. STEIGER of Arizona. Mr. Chairman, the rule is simply a matter of courtesy rather than one of mandate?

The CHAIRMAN. The gentleman is correct.

Mr. STEIGER of Arizona. I thank the Chair.

Mr. OTTINGER. Mr. Chairman, if the gentleman from Arizona will pay attention, I will tell him what the amendment is all about.

This amendment would put the responsibility for enforcement of this Act in the Environmental Protection Agency, with the additional requirement that the Environmental Protection Agency consult with the Department of the Interior. It gives the Director of the Environmen-

tal Protection Agency the responsibility for taking the actions under this Act in consultation with the Secretary of the Interior. The substance of this amendment, with the exception of the consultation provisions, was provided in the Dingell amendment. We did not get the opportunity for a record vote on that amendment, and I think we should have that opportunity.

Mr. RUPPE. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Michigan.

Mr. RUPPE. Mr. Chairman, does this put the responsibility for the legislation in the hands of the EPA entirely, or does the Secretary of the Interior still retain a portion of that responsibility?

Mr. OTTINGER. The Secretary must be consulted by the EPA.

Mr. RUPPE. The responsibility for the legislation and that propagation of the administration of the bill would be transferred to the EPA?

Mr. OTTINGER. The EPA would act in consultation with the Secretary of the Interior.

Mr. STEIGER of Arizona. Mr. Chairman, I rise in support of the gentleman's amendment.

I would like to urge those people who are concerned about the future of the country and the electric bills of their constituents to support this amendment. I assure the Members that if this amendment is to succeed—and I assume we are gonig to have a record vote—this will be the one way we can guarantee a veto, and that is probably the only way to save the consumers of this country.

So, for those Members who wish honestly to sink this bill, I hope they join with me in that desire. The best way to guarantee a veto is to support the amendment offered by the gentleman from New York (Mr. OTTINGER).

That is on the level, Mr. Chairman.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from New York.

Mr. OTTINGER. Mr. Chairman, I would not expect support from the gentleman from Arizona (Mr. STEIGER) on any basis ordinarily. For the moment, I was slightly worried about that.

Mrs. MINK. Mr. Chairman, I move to strike the requisite number of words, and I rise again in opposition to this amendment.

This is the identical amendment to the Dingell amendment which we have already earlier defeated. I believe that is perhaps down the road, because, after we have had experience under this legislation, we may want to consider a transfer of the enforcement responsibilities to another agency.

However, at this onset we are simply developing the regulations. It seems to me we ought to leave this responsibility in the Department of the Interior.

The bill as now constructed, as I said earlier, does give the responsibility to EPA. It gives a veto responsibility over the promulgation of regulations insofar as clean air and clean water and the issuance of permits are concerned.

So, Mr. Chairman, I ask my colleagues to please vote down this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. OTTINGER).

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. OTTINGER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 67, noes 174, not voting 191, as follows:

[Roll No. 53]

AYES—67

Ambro
Baucus
Biester
Blouin
Brodhead
Brown, Calif.
Burke, Calif.
Burton, Phillip
Carr
Chisholm
Clay
Collins, Ill.
Cornell
Dingell
Downey
Drinan
Emery
Fish
Fisher
Green
Gude
Hall
Hannaford
Harkin
Harris
Hechler, W. Va.
Heckler, Mass.
Holtzman
Jacobs
Kastenmeier
Krebs
Lehman
McCloskey
McHugh
Madden
Maguire
Mezvinsky
Miller, Calif.
Mitchell, Md.
Moakley
Moffett
Mosher
Moss
Nedzi
Nolan
Nowak
Ottinger
Rees
Richmond
Riegle
Rooney
Sarbanes
Scheuer
Schroeder
Sharp
Solarz
Spellman
Steiger, Ariz.
Stokes
Studds
Traxler
Vander Veen
Vanik
Weaver
Whalen
Wirth
Young, Alaska

NOES—174

Alexander
Anderson, Calif.
Anderson, Ill.
Andrews, N. Dak.
Annunzio
Archer
Armstrong
Ashley
AuCoin
Bauman
Bennett
Bevill
Bingham
Blanchard
Bolling
Bonker
Breckinridge
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burgener
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Byron
Carter
Clausen, Don H.
Clawson, Del
Cohen
Daniel, Dan
Daniel, Robert W., Jr.
Danielson
de la Garza
Derrick
Dickinson
Duncan, Oreg.
du Pont
Eckhardt
English
Erlenborn
Evans, Colo.
Fenwick
Findley
Flood
Foley
Forsythe
Giaimo
Gibbons
Gonzalez
Goodling
Gradison
Grassley
Guyer
Hagedorn
Haley
Hamilton
Hansen
Hastings
Hayes, Ind.
Hébert
Hicks
Hightower
Hillis
Hinshaw
Holland
Holt
Howe
Hyde
Ichord
Jeffords
Jenrette
Johnson, Colo.
Johnson, Pa.
Jones, N.C.
Jones, Okla.
Kasten
Kazen
Kemp
Krueger
LaFalce
Lagomarsino
Latta
Leggett
Lloyd, Tenn.
Long, La.
Long, Md.
McCollister
McDade
McDonald
McFall
Macdonald
Mahon
Mann
Martin
Matsunaga
Mazzoli
Melcher
Milford
Miller, Ohio
Mineta
Mink
Montgomery
Moore
Moorhead, Calif.
Morgan
Myers, Pa.
Natcher
Nichols
Oberstar
Obey
Passman
Patman
Patterson, Calif.
Perkins
Poage
Pressler
Preyer
Price
Quie
Randall
Regula
Risenhoover
Roberts
Robinson
Rogers
Roncalio
Rose
Roush
Rousselot
Roybal
Ruppe
Russo
Ryan
Santini
Sarasin
Satterfield
Schneebeli
Seiberling
Shriver
Sikes
Slack
Smith, Iowa
Stanton, J. William
Stanton, James V.
Stark
Steed
Stephens
Sullivan
Symington
Symms
Taylor, N.C.
Teague
Thone
Thornton
Treen
Tsongas
Van Deerlin
Vander Jagt
Vigorito
Waggonner
Walsh
Wampler
White
Whitten
Wiggins
Wilson, Bob
Wilson, Charles, Tex.
Winn
Wright
Yatron
Young, Fla.
Young, Tex.
Zablocki

NOT VOTING—191

Abdnor
Abzug
Adams
Addabbo
Andrews, N.C.
Ashbrook
Aspin
Badillo
Bafalis
Baldus
Barrett
Beard, R.I.
Beard, Tenn.
Bedell
Bell
Bergland
Biaggi
Boggs
Boland
Bowen
Brademas
Breaux
Brinkley
Brooks
Broomfield
Burke, Fla.
Burton, John
Butler
Carney
Casey
Cederberg
Chappell
Clancy
Cleveland
Cochran
Collins, Tex.
Conable
Conlan
Conte
Conyers
Corman
Cotter
Coughlin
Crane
D'Amours
Daniels, Dominick V.
Davis
Delaney
Dellums
Dent
Derwinski
Devine
Diggs
Dodd
Downing
Duncan, Tenn.
Early
Edgar
Edwards, Ala.
Edwards, Calif.
Eilberg
Esch
Eshleman
Evans, Ind.
Evins, Tenn.
Fascell
Fithian
Florio
Flowers
Flynt
Ford, Mich.
Ford, Tenn.
Fountain
Fraser
Frenzel
Frey
Fulton
Fuqua
Gaydos
Gilman
Ginn
Goldwater
Hammerschmidt
Hanley
Harrington
Harsha
Hawkins
Hays, Ohio
Hefner
Heinz
Helstoski
Henderson
Horton
Howard
Hubbard
Hughes
Hungate
Hutchinson
Jarman
Johnson, Calif.
Jones, Ala.
Jones, Tenn.
Jordan
Karth
Kelly
Ketchum
Keys
Kindness
Koch
Landrum
Lent
Levitas
Litton
Lloyd, Calif.
Lott
Lujan
McClory
McCormack
McEwen
McKay
McKinney
Madigan
Mathis
Meeds
Metcalfe
Meyner
Michel
Mikva
Mills
Minish
Mitchell, N.Y.
Mollohan
Moorhead, Pa.
Mottl
Murphy, Ill.
Murphy, N.Y.
Murtha
Myers, Ind.
Neal
Nix
O'Brien
O'Hara
O'Neill
Patten
Pattison, N.Y.
Pepper
Peyser
Pickle
Pike
Pritchard
Quillen
Railsback
Rangel
Reuss
Rhodes
Rinaldo
Rodino
Roe
Rosenthal
Rostenkowski
Runnels
St Germain
Schulze
Sebelius
Shipley
Shuster
Simon
Sisk
Skubitz
Smith, Nebr.
Snyder
Spence
Staggers
Steelman
Steiger, Wis.
Stratton
Stuckey
Talcott
Taylor, Mo.
Thompson
Udall
Ullman
Waxman
Whitehurst
Wilson, Charles H., Calif.
Wolff
Wydler
Wylie
Yates
Young, Ga.
Zeferetti

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mrs. MINK. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and, the Speaker having resumed the chair, Mr. SMITH of Iowa, 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. 25) to provide for the cooperation between the Secretary of the Interior and the States with respect to the regulation of surface coal mining operations, and the acquisition and reclamation of abandoned mines, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mrs. MINK. Mr. Speaker, I ask unanimous consent that all Members may re-

vise and extend their remarks in connection with the debate on H.R. 25.

The SPEAKER. Is there objection to the request of the gentlewoman from Hawaii?

There was no objection.

LEGISLATIVE PROGRAM

(Mr. ANDERSON of Illinois asked and was given permission to address the House for 1 minute.)

Mr. ANDERSON of Illinois. Mr. Speaker, I take this time to inquire of the distinguished majority whip if he can inform the House of the program for the following week, and I yield to the gentleman from California (Mr. McFALL) for that purpose.

Mr. McFALL. Mr. Speaker, I will be happy to respond to the inquiry of the distinguished minority leader.

Mr. Speaker, there is no further legislative business for today and upon the announcement of the program for next week I will ask unanimous consent to go over until Monday.

The program for the House of Representatives for next week is as follows:

On Monday, Tuesday, and Wednesday we will have the Consent Calendar and then H.R. 25, the Surface Mining Control and Reclamation Act on which we will expect to conclude consideration.

Under suspensions there are three bills:

H.R. 2783, National Insurance Development Act;

H.R. 4221, college work-study; and

House Joint Resolution 258, Earth Day.

Then we will have the Private Calendar on Tuesday and the following bills:

H.R. 4296, Agriculture and Consumer Protection Act amendments, under an open rule with 2 hours of debate;

House Resolution 163, Change Foreign Affairs Committee to International Relations Committee; and

H.R. 4485, Emergency Middle Income Housing Act, subject to a rule being granted.

On Thursday and Friday we will have:

H.R. 3922, Older Americans Act amendments, subject to a rule being granted;

H.R. 2931, NASA authorization, subject to a rule being granted;

H.R. 4108, National Science Foundation authorization, subject to a rule being granted; and

H.R. 37, Standard Reference Data Act, subject to a rule being granted.

Conference reports may be brought up at any time.

Any further program will be announced later.

ADJOURNMENT TO MONDAY, MARCH 17, 1975

Mr. McFALL. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

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

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday of next week.

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

There was no objection.

PERMISSION FOR COMMITTEE ON SCIENCE AND TECHNOLOGY TO HAVE UNTIL MIDNIGHT TO FILE REPORTS ON H.R. 4723 AND H.R. 37

Mr. McFALL. Mr. Speaker, I ask unanimous consent that the Committee on Science and Technology have until midnight tonight to file reports on H.R. 4723 and H.R. 37.

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

There was no objection.

STATEMENT BY CONGRESSMAN TENO RONCALIO ON DEATH OF PROF. K. M. SIEGEL

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

Mr. RONCALIO. Mr. Speaker, it is with deepest regret that I announce the untimely passing of Prof. Keeve M. (Kip) Siegel, chairman and chief executive officer of KMS Industries of Ann Arbor, Mich., who was stricken on March 13, 1975, while testifying before the Joint Committee on Atomic Energy.

Professor Siegel was dedicated to improving the quality of life in America. His latest endeavor, to alleviate our pressing energy shortage now and in the future, consumed his full effort. Professor Siegel was discussing his plans to generate methane by a novel process invented by scientists working for KMS when he was stricken.

Professor Siegel will be deeply missed by his family, his friends, and his associates.

I include his statement for the committee at this point in the RECORD:

STATEMENT OF KEEVE M. SIEGEL

Mr. Chairman and Members: My name is Keeve M. Siegel and I am Chairman and Chief Executive Officer of KMS Industries, Inc., and its subsidiary, KMS Fusion, Inc.

It is a great pleasure to address you today. KMS Fusion is firmly convinced by the work we have done and are doing for our own account, and work we have done and are doing for the Texas Gas Transmission Corporation, that methane, the equivalent of high quality natural gas can be produced at $1.50 a thousand cubic feet in today's dollars to go into the pipeline in the time frame of 1984–1986. This is based on a pilot plant being built and in operation for the production of hydrogen and methane about the end of 1979.

All projects we know of, associated with the gasification of coal, are expected to come out at least to $3.50 to $4.00 per thousand cubic feet. In other words, we expect the Texas Gas Transmission method to be priced in today's dollars at the equivalent of $9.00/barrel for oil or less, as compared to gas from coal gasification at the equivalent of $21/barrel or more for oil.

I am here to describe a laser-fusion energy research and applications program initiated outside of government. However, it is impossible for us to pursue the development of this vital new energy option at the necessary accelerated pace without significant government financial assistance.

Our company felt in 1969 that it could come up with what would eventually be an economically feasible fusion reactor. To date, we have invested over $20 million in laser-fusion. We have cannibalized KMS Industries by selling off divisions in order to obtain funds to conduct our fusion program. We have not been able to raise all the money we needed to go as fast as our original schedule would have taken us. Nevertheless, at the recent meeting of the International Atomic Energy Agency, an official representative of the U.S.S.R. conceded that our company was ahead of their laser-fusion effort in the amount of compression we have obtained and in our production of compression neutrons. More important than that, he recognized the fact that the laser-fusion reactor has now become a hopeful candidate to be the coming fusion reactor.

Gentlemen, it is NOT important that we are receiving international credibility. It is NOT important that our work may be competitive with that of the ERDA laboratories. What is important is that the people of the United States know that its government and industries are following every realistic possibility of solving the energy crisis and creating a convenient and economical source of energy, whether it be electricity, gas or liquid. Economical energy is the essential element to our country's prosperity. Therefore, it is important that our government fund all viable candidates for a solution. We believe our company is working on one of the viable solutions to produce a convenient source of energy at a price people can afford. The whole automotive industry would probably not survive major increases in the price of energy, that is, energy only for the rich. In fact that industry and its suppliers is based on the fact that almost everyone can afford energy to run an automobile.

The Texas Gas Transmission Corporation, through the ordinary processes of the free enterprise system has funded the hydrogen/methane activity in our corporation. If this process proves correct, I repeat, it will allow the beginning of the supply of synthetic natural gas in 1985 and offsetting part of the shortfall in natural gas existing at the time, all at a reasonable price.

I would like to quote from a letter from Wm. M. Elmer, Chairman of the Board of Texas Gas Transmission Corporation, written January 21, 1975 to Dr. Robert C. Seamans:

"Texas Gas has funded all research and experimental work conducted for it by KMSF in connection with this hydrogen research program. So long as the experiments continue to produce positive results, both in the KMS Fusion basic laser fusion program and in our hydrogen research program, we intend to continue funding the hydrogen program and believe that our company has the financial capability of doing so. Texas Gas has not, however, funded KMS basic research in laser fusion and, although we are aware of the many benefits our nation can derive from the success of this basic research, we do not have the financial resources to fund that effort. KMS estimates that, if everything goes according to present schedule, the first pilot plant for the pro-

duction of hydrogen and methane associated with laser fusion should be in operation in 1979 to 1980. They are presently estimating that the cost of such plant will be some $80 million, of which approximately one-half would be applicable to the hydrogen and methane operation. We feel that, as long as the experiments continue successful and as they reach the point where a pilot plant should be built, which we are very hopeful will be the case, our company should be able to take care of the funding of the hydrogen portion of the project. This is presently our intent."

There is no evidence available to us that any other laboratory in the world has discovered our method of producing hydrogen. When one looks at the overall process, our method is much more efficient, much less expensive and much less capital intensive than any other method.

We have already made certain engineering tests at what will be the full-scale temperature and pressures of the pilot plant. We have shown that the efficiencies stand up under such conditions. We have costed out as carefully as we could, all the processes associated with proving out these concepts. We have a great deal of faith in these analyses.

With respect to the fusion reaction necessary to produce neutrons to obtain hydrogen our past accomplishments speak for themselves. We lead the world in compression and compression neutrons. We are happy to announce today that we have shown volumetric compression of ordinary pellets of over 1,000 and on pellets with dilute gasses, of over 2,400. It's not only that those numbers are really important or that they lead the rest of the world by a factor of ten and that we probably lead the world in the generation of compression neutrons by a factor of 1,000: even more important is that so far as we know we are the only laboratory in the world that has the basic knowledge on how to go from the direct output of the pellet laser-fusion reaction to the production of hydrogen. We know our time scale is optimistic. On the other hand we feel that these goals are achievable.

We are asking the Government to help us since private sector support is unobtainable for the research essential for the progress of our work. Without the support we request, our program will not continue and the people of this country will be deprived of the opportunity to pursue development of the energy option which promises a major payoff in the mid-1980's. Our situation is a fundamental example of the conditions foreseen by the Congress in enacting the Federal Non-Nuclear Energy Act of 1974, with respect to Federal support of industry energy research and development efforts.

Competition in ideas and cooperation in work among industrial and government laboratories in the development of the fusion source is probably the most assured way of achieving success. If the laboratories can produce more energetic neutrons for a price better than we can, we would be happy to use their techniques as a source of energy to be used in the production of hydrogen and methane. But we think our having an independent program, and each making known his research accomplishments to the other, is the best way to solve the problem as quickly as possible.

In order to have the pilot plant in operation, we need $114.5 million, based on today's dollars. I have asked ERDA over the next three years to fund the research part of our program which is applicable to all laser-fusion activities, in the the amount of $59.5 million which can be committed in phases. When you add that amount of money to Texas Gas Transmission's intent, as expressed above, and our own company's intent to furnish $15 million through the sale of an interest in KMS Fusion, that will in fact give us the money we need for the pilot plant.

We fully recognize that money does not exist in the present budget for ERDA to fund the $59.5 million portion of the $114.5 million we need, or even a reasonable portion of that. As a result we have suggested to ERDA the following, in my letter to Dr. Seamans of February 25th, and I quote:

"If you feel that it is impossible for you to fund our present proposal by reprogramming an amount of $4.7 million for this fiscal year, consider this letter as our company's official request to switch our proposal from a paid contract by ERDA, to a $60 million loan by the U.S. Government.

What we are requesting is as contemplated by Sec. 7(a), paragraph (5) of *Forms of Federal Assistance* of the Act:

'Federal loans to non-Federal entities conducting demonstrations of new technologies'."

We are proud to go ahead under ERDA's banner [see the enclosed article from the March 7th issue of SCIENCE Magazine]. We feel ERDA has made and is making an excellent start on pulling energy research together and generating the concepts allowed through the Act to meet the country's crushing needs. We believe we offer through ERDA and to ERDA, a unique opportunity under Dr. Seamans' direction, to run together with the ERDA laboratories.

Every year the country is delayed in solving the energy problem is costing the American people $26 billion in import payments which makes the U.S. more dependent on other countries, and allows more of our country to be owned by others.

The cost to the Government and our people for the support of this program is insignificant in terms of current national expenditures and our energy import costs. On the other hand, the potential benefits are inestimably high in terms of our standard of living, energy independence and lastly, national security.

[From Science magazine, Mar. 7, 1975]

ERDA AWARDS A $350,000 LASER FUSION CONTRACT TO KMS

Making what appears to be a U-turn in policy, the government awarded a sizable research contract to a small Michigan company which does extensive study of laser fusion but was previously excluded from the national research program.

The new Energy Research and Development Administration (ERDA), which took over the federal laser fusion program after the Atomic Energy Commission (AEC) expired, has granted a $350,000 contract to KMS Fusion, Inc. for a series of 42 laser shots at different sized targets. Laser radiation hitting a tiny spherical shell filled with reactive isotopes of hydrogen can produce a small fusion reaction, and the enthusiasts of laser fusion hope that one day it will be used to generate power. The new contract will provide ERDA scientists with detailed data for 14 different sets of conditions. After completion of the initial work, ERDA expects to arrange for further experiments, probably in June, for an additional $150,000.

KMS has recently shown that it has unusual expertise for producing and studying microexplosions induced by a laser (*Science*, 24 December 1974), and undoubtedly researchers in the ERDA laboratories wanted data from the KMS experiments to check their computer predictions. The contract is effectively a recognition that KMS has a unique facility at the present time. In fact, ERDA administrators accelerated the normal contracting procedure so that experiments could begin before the end of February, when KMS intended to shut down its laser for improvements. In announcing the contract, ERDA had words of praise for the company that the AEC had often fought, some would say bitterly. "In its laboratories at Ann Arbor, Michigan, the company has an advanced laser system, together with facilities for producing fuel pellets in a wide variety of dimensions," said the ERDA statement. "KMS Fusion has reached an important milestone—generation of neutrons by using laser beams to compress fuel pellets."

The announcement appears to be a vindication for KMS Industries, the parent company to KMS Fusion, which was founded by and named after Keeve M. (Kip) Siegel, an ex-professor of electrical engineering at the University of Michigan who turned entrepreneur and made at least $4 million from his venture, which was Conductron Corporation. Many companies have been spun off of government research efforts, but usually they concentrate on some specialized line of technology. In late 1969, Siegel proposed nothing short of competing head-on with the government's entire laser fusion effort, and furthermore had the brashness to promise that KMS would produce net energy from its experiments within 2½ years, which is only an eye blink in the history of fusion efforts. Such audacity by a small modestly funded mid-western company might have gone unnoticed by the multibillion dollar Atomic Energy Commission except for two factors: the chief scientist of KMS, Keith A. Brueckner, had for many years been an AEC consultant, and beginning 1969 he filed applications for no less than 24 patents on laser fusion processes. Many factors have contributed to the strained relations between KMS and the AEC, including accusations of scientific incompetence on both sides, but according to one veteran who has followed the story closely, nothing angered several members of the Joint Committee on Atomic Energy so much as the fact that KMS wanted to claim title to the basic idea of laser fusion—the implosion process—which the AEC thought belonged to it alone. Each of the 24 patent claims is still being contested by the government.

Brueckner, at age 50, is widely acknowledged to be an outstanding theoretical physicist who has received many professional awards, including election to the National Academy of Sciences. After taking leave for 3 years to be executive vice-president and chief scientist for KMS Fusion, he has recently returned to the University of California, San Diego. He was one of the founders of Jason, the group of fast-rising young physical scientists organized to pass judgment on the feasibility of the Pentagon's most ambitious weapons systems. For one year in 1961, Brueckner was the director of research for the Institute of Defense Analysis, and he served the AEC as a consultant from 1953 through the decade of the 1960's. In filing the 24 patents for KMS, Brueckner contended that he conceived of the implosion idea for laser fusion independently, without assistance from classified information. But several AEC scientists had worked on implosion schemes on and off since the late 1950's. His claim to independent arrival at a laser fusion scheme similar in many ways to the AEC laser fusion plans was met with particular skepticism in Washington because he had been a consultant to the magnetic confinement fusion program of the AEC and had apparently been called on to evaluate some fusion plans involving lasers.

At first the AEC insisted that KMS must stop its laser fusion research altogether, directing Brueckner not to talk to anyone about his idea or even do calculations, except in his head, because the ideas were part of weapons research and therefore classified. In February 1971, the AEC relaxed its restrictions to the point that KMS could perform laser fusion research under a contract that provided for government control, but without government funding or access to government research.

At one point, the AEC also exercised power to veto prospective KMS employees who had worked in the federal laser or nuclear weapons programs. For a time this restriction made it quite difficult for KMS to acquire experienced personnel, but it has now been eased considerably. Another problem for KMS was that classifications that rigidly prohibited researchers from releasing their data on laser-induced implosions were in effect until last October, so the company could not adequately explain its research progress in public. KMS Industries has been almost continually strapped for money since its $19 million fusion effort began. The AEC did give secret clearances to technical specialists from two companies which subsequently gave financial backing to KMS so they could evaluate the progress of the laser effort, but company officials nevertheless think that the AEC classification policy hindered their ability to raise capital. The company took a particularly bad beating from the news media during the last half year of strict classification, and no doubt feel they could have defended themselves better under a different policy.

Now that KMS is an official government research contractor, it seems that a new era of peacemaking may succeed the old era of contention. The AEC would probably not have granted KMS such a fine contract (the KMS facility can produce eight laser shots per day, so only a few weeks work may be involved), but with the coming of ERDA, the official attitude of the atomic establishment seems to have softened significantly, and laser fusion administrators have apparently decided that it is in the national interest to join forces with KMS.

According to the head of the ERDA laser office, James McNally, the new contract is part of a trend toward greater participation in laser fusion research. The coming years, he says, may see the level of funding for industrial and university centers rise from 10 to 15 percent of the federal program.—W.D.M.

ENDORSING THE SPELLMAN AMENDMENT TO BAN STRIP MINING ON SLOPES OF MORE THAN 20 DEGREES IN STEEPNESS

(Mr. HECHLER of West Virginia asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HECHLER of West Virginia. Mr. Speaker, the Washington Post included an editorial in this morning's edition, with much of which I agree.

The editorial indicated that some positive action must be taken by this Congress in the area of strip mining and in particular, the editorial underlined the necessity for action in those steep-slope areas of over 20 degrees, where the most devastating damage occurs from strip mining.

Certainly the experience throughout Appalachia is one of the major reasons why the issue of strip mining comes to Congress. Once again this afternoon the Congress is finally coming to grips with this legislation.

I certainly hope that when the time occurs, strong support from both sides of the aisle will come for the Spellman amendment which will be offered by our colleague the gentlewoman from Maryland (Mrs. GLADYS SPELLMAN) to ban strip mining on those slopes more than 20 degrees in steepness.

Mr. Speaker, I include with my remarks the editorial of this morning's Washington Post.

The editorial referred to follows:

A NEW EFFORT AGAINST STRIP MINING

Although efforts have been made for four years to pass federal legislation against strip mining, it appears now that the Congress has finally realized the need for controls. On Wednesday, the Senate gave strong approval—84 to 13—to a bill that has a number of strengths. A major breakthrough is the provision that protects from strip mining certain essential agricultural lands in vital areas of the West. Individual ranchers and farmers have been raising their voices for years on this issue, making the case that using the land for the long-term production of food is more important than the one-shot use of the land for energy. Sen. Lee Metcalf (D-Mont.), the bill's floor manager, deserves credit for proposing to prevent the strip miners from ravaging crop-lands and hay-lands in the vital valleys in the Western states.

In the House, which is scheduled to take up debate today and vote Monday, several opportunities exist to strengthen the legislation. It is important, for example, that no new permits be given for strip mining on slopes above 20 degrees. The people living among the hills and mountains of central Appalachia have already been sufficiently victimized by strip mining operations, and deserve protection from future assaults. As for money to restore land that strippers left for rubble once the coal was extracted, the House bill now asks for 35 cents a ton of strip mined coal. Efforts will be made to raise this to 50 cents; the argument is that with a larger reclamation fund, not only will jobs be opened up but the land itself will recover its potential for agricultural, industrial and recreational uses. Because the nation has never had a federal strip mine bill, questions are being raised about the suitability of the Interior Department to enforce the regulations; a strong case is being made that EPA should be given the responsibility, on the ground that Interior is too tied to a philosophy of coal development.

In the push for new sources of energy, no one is advocating that coal be ignored. In fact, Russell E. Train, administrator of the Environmental Protection Agency, has said that because the nation's total coal supply is overwhelmingly in deep mines it makes sense, both economically and environmentally, to expand underground mining. Sen. Mike Mansfield (D-Mont.), noting the rush to strip mine the Western coalfields, has asked: "What is going to happen to the vast quantities of mineable coal in the Eastern part of the United States?" Mr. Train and Sen. Mansfield go to the essence of the issue.

It is disappointing that four years have passed with no decisive action on a federal strip mine bill. During that time the strip miners have not been idle. As the land is torn up an average of 1,000 acres a week, the public waits for Congress to offer some long overdue controls.

THE LIVESTOCK DEPRESSION

The SPEAKER pro tempore (Mr. KREBS). Under a previous order of the House, the gentleman from Wyoming (Mr. RONCALIO) is recognized for 60 minutes.

Mr. RONCALIO. Mr. Speaker, I recognize that one way to attract a large number of colleagues is to have a special order coming up for consideration at 15 minutes to 6 on a Friday afternoon. It was not intended that way when the special order was requested.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

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

Mr. SMITH of Iowa. Mr. Speaker, I will say that for no one else would I be here this late, but I have to be here to respond to the wise words of the gentleman from Wyoming in calling the Nation's attention to this problem and I want to join the gentleman in his cause.

Mr. RONCALIO. Mr. Speaker, I respect the gentleman from Iowa, a member of the Committee on Appropriations and a Member who is also concerned with this economic depression in the livestock industry.

I also think it is a sad commentary on our Nation to find that just a few minutes ago there were 50 or 60 Members of the press and radio media in their gallery above us. Now there is not a single soul, male, female, or otherwise, represented in the press gallery. This shows the lack of concern of representatives of the media of the dilemma of the livestock industry—I beg pardon. I see one member and I congratulate him. We salute him, especially the millions depending on livestock for a living.

I have requested this time to shed some light on the continuing crisis facing the livestock industry.

Mr. Speaker, today, the beef cattle industry is in a drastic financial predicament. The American National Cattlemen's Association estimates that during the past year, the entire industry sustained operating losses of approximately $5 billion. Due to the depressed cattle prices, the value of the Nation's cattle inventory, as reported by the USDA, dropped from $41 billion on January 1, 1974, to $21 billion on January 1, 1975. This is a decline of 48 percent in a single year. Operators have borrowed all they can on their security, they can not sell because their animals will not bring as much as they are mortgaged for, and banks are generally reluctant to advance any more operating expenses.

CAUSES

The causes of the problem are many. The industry has been moving in recent years toward the present cyclical oversupply problem. Today there are simply too many cattle. In January 1974, there were 127.6 million head of cattle worth $321 per head, in this country. On January 1, 1975, there were 131.8 million head of cattle worth only $127 per head. The price per head is now 40 percent of that of 1 year ago. This cycle will most likely not peak for another 2 years.

The oversupply problem was compounded last year by a large rise in feed grain costs. For years, a policy of subsidized, cheap grain encouraged expansion of livestock production. Then, suddenly, changed world demand and export situations—in addition to an unexpectedly short crop due to drought conditions last summer throughout much of the Midwest, contributed to a devastating runup in feed costs.

CONSUMERS INVOLVED

There is also a consumer concern. Cattlemen have lost $100 to $200 on each animal sent off to the slaughterhouse and yet consumers continue to pay higher prices for their meat. In connection with this there have been charges of price-fixing levied against large food chain stores, as the price spread between what producers are paid for their cattle, and what the consumer pays, continues to widen.

Until a few decades ago, a few big meat packers dominated beef purchasing, and the primary retail outlets were the thousands of independent stores. But this structure has changed until today, there are some 2,000 packing houses and but a few independent food stores.

Today meat prices are determined largely by the centralized buying by the largest food chains. Although they purchase only 20 percent of the some 20 billion pounds of beef purchased every year, they set the scale for the other 80 percent which is purchased by the uncoordinated sectors of the market such as independent grocers, Government agencies, and hotels and restaurants.

In a recent California civil suit against a food chain store, a group of western cattlemen won a jury verdict holding that the Great Atlantic and Pacific Tea Co.—A. & P.—had conspired to eliminate competition in meat buying. The jury fixed damages at $32.7 million, calculated on the finding that over a 4-year period the group of producers received up to 20 cents a pound less than would have been the case in a so-called competitive market. I am pleased that two cattlemen from my home State of Wyoming, Mr. Courtenay C. Davis and Mr. Paul Etchepare, were instrumental in having this case brought to trial.

SIZE OF PROBLEM

The magnitude of the problems facing producers today can only be understood in terms of how a crisis in this industry affects the overall economy. The beef cattle industry is the largest segment of American agriculture. Cattle sales in 1973 totaled $22.1 billion, or more than one-fourth of all cash receipts from farm marketing. This level becomes more understandable when it is compared with the steel mills, and their annual sales of $35.2 billion, or motor vehicles, and sales of $77.2 billion.

There are 1.9 million full- and part-time beef cattle operators across the country. Farmers and ranchers buy 5 percent of the Nations steel output, and they purchase 25 percent of the trucks. Every dollar of cattle sales directly generates an additional $5 to $6 of business activity in the farm supply and food business. For every job on the farm, there are three jobs in related supply and processing businesses.

Foods including beef and milk provide more than half of our total protein. Food of animal origin supplies one-fourth of our energy, four-fifths of our calcium, two-thirds of our phosphorus, and significant amounts of other essential vitamins and minerals.

This Congress has already taken some steps to aid beef producers. We have met several times in the last 2 months with representatives of the industry. There is legislation pending before the Agriculture Committee in the House to reduce inventories by providing $1 to $2 billion to purchase meat animals and processed meat for distribution to domestic and foreign relief programs. Legislation has been introduced to place a 1-year embargo on meat imports and there is legislation pending to provide long-term, low-interest loans to operators to provide them with operating expenses until they are able to recover.

And yet the current situation continues to threaten the very existence of the industry itself. We must act now to come to grips with the severity of the problem. We must push for investigation of claims of injustice, coordinate efforts and consider alternatives. Perhaps it is time to look at a subsidy for the industry—temporary in nature—until such time as beef numbers are reduced and prices are allowed to come back to a point where the cattleman can make some money. But whatever our steps, we must act now.

Mr. HECHLER of West Virginia. Mr. Speaker, will the gentleman yield?

Mr. RONCALIO. I yield to my colleague from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, having visited the gentleman's State and having seen the problem of the cattle industry, I commend his efforts on behalf of the cattle industry, and I would like to pose the question of whether the extension and expansion of strip mining, taking land away from grazing which is utilized by cattle, is not a matter of great concern in some areas of the gentleman's State?

Mr. RONCALIO. I would say that it is a matter of concern in those areas where we know strip mining is inevitable; but I do believe that the disruption, the temporary removal of those specific 200,000 acres now under lease in Wyoming, makes a rather small, indeed, negligible, contribution to the overall problem or the pricing policy of today. They may make a contribution to the total production in the years to come, and I have addressed this problem with amendments, as the gentleman knows, in the strip mining bill which we are going to work on again Monday.

But I do know that the problem today deals in a basic kind of way in excess of just the strip mining matter. It is a phenomena dealing with the oversupply, with pricing, with marketing policy, with the general purchasing policy, and the fact that for decades this industry has resisted price subsidies and the oversupply problem.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. RONCALIO. I will be happy to yield to the gentleman.

Mr. SMITH of Iowa. The gentleman mentioned the rise in feed grain costs, which is a result of a bad crop. What happens is, there is a plan for a crop of 6.7 billion bushels, and it turns out to be 4.7 billion bushels. Of that 2 billion bushel reduction, about 1.2 billion bushels would have been consumed by cattle. In view of the fact that the corn is not available, then the price mechanism springs into action to determine the ratio of corn among those that have had the cattle and decide who will get it.

But regardless of who gets it, the fact of the matter is there is not as much corn as had been contemplated. Since there is not that much, then some 500,000 calves would have to go to market that otherwise would have had to go to the lot. That compounds the problem, because there are already too many canners and cutters on the market.

So the consumer, who does not understand this and has not been exposed to those things, says, "Isn't this great? We are going to get some cheap beef."

It is true, Mr. Speaker, that the old saying is "What goes up must come down," but what goes down in the beef industry comes back up, and somehow the consumer never benefits from this. If it goes up, it stays up and never comes back down quite to its original price in the grocery store.

So the consumer does not really get any benefit out of this. It is a serious problem, and what we are talking about is this: somehow we must have more stable prices.

More stable prices of cattle means more stable supplies of grain. They work together. It is a very serious problem.

Mr. Speaker, I thank the gentleman for bringing this matter to our attention.

Mr. RONCALIO. Mr. Speaker, I thank the gentleman. I welcome his contributions and I thank him for his statements concerning the problem which faces us.

Mr. JOHNSON of Colorado. Mr. Speaker, will the gentleman yield?

Mr. RONCALIO. I yield to the gentleman from Colorado.

Mr. JOHNSON of Colorado. Mr. Speaker, I appreciate the fact that the gentleman is taking this time to bring this matter to our attention.

We have been studying this problem in the Subcommittee on Livestock and Grains of the Committee on Agriculture, and I think the gentleman is aware of our efforts.

The problem is one which I think should be pointed out. Today we have 130 million head of cattle, and we have an extra 6 million heifers and cows that produce calves every year; we need only 30 million of them. The problem is: How do we get rid of that 6 million-cow herd which constitutes the surplus factor and which continues to produce more calves than we actually need in this country? There have been various suggestions which have been made. There is one suggestion by the gentleman from Montana which is being considered, and that is to buy $2 billion worth of beef from the farmers. I think the gentleman is probably aware of that.

That raises certain questions, because we do not know how much that will actually reduce the ultimate supply and we do not know the impact it will have on the consumer or whether we would actually get rid of the extra cow herd.

Mr. Speaker, there has been an overproduction of beef for the last several years, and we now have to eat our way through this evidently. There does not seem to be anything in the offing that will provide for any kind of solution unless we are willing to have the Federal Government make a vast expenditure or unless we are willing to have the Federal Government get involved in the beef industry.

My question to the gentleman is this: The gentleman's district across the border in Wyoming adjoins my district, so I will ask this: Is there any impetus or impact from the gentleman's people in Wyoming or on the part of the beef industry in Wyoming that they want to have the Federal Government involved in any way other than perhaps encouraging and approving a loan program?

Mr. RONCALIO. Mr. Speaker, I will be happy to answer the gentleman's question.

I am not sure that they want to see the Government involved to that extent. I have not received any communication in that regard from the Wyoming Livestock Association. The fact is, I have not been privy to a very warm relationship with that organization. We are becoming friendlier every day, however.

I will say to the gentleman that recently the Sheridan Press carried an editorial saying that the cattle industry must get out of this with some new procedure. This is something not heretofore practiced, something that up to this time has been rejected.

They then suggest a price subsidy. They call it a temporary price subsidy, and they think that the U.S. Government would do well to consider low-interest loans for cattlemen for the duration of the depressed price situation, and they suggest other possibilities for the price subsidy.

Mr. Speaker, at this point I include the editorial I have just referred to:

[From the Sheridan (Wyo.) Press, Feb. 26, 1975]

CATTLEMEN OUGHT TO HAVE A TEMPORARY PRICE SUBSIDY

The cattle industry, a highly important segment of the Sheridan County economy, is presently living through a depression. It is a real depression.

Cattlemen, if they sell now, can only give away their animals because the current price per pound is around 23 cents. They need around 70 cents per pound to make any money.

What happened?

Although some disagree, most of the cattlemen feel the low prices are the result of oversupply. It came about a year ago when cattle prices were high and when everyone got into the commercial cattle business. Housewives struck, claiming prices were too high and the government moved in and controlled prices. Cattlemen reacted and refused to sell their cattle. Thus there is an oversupply of beef.

The price dropped drastically.

Area cattlemen kept commercial cattle, or they got them to a feed lot where they had to buy the feed, or they found some place to have cattle custom-fed.

Very few are being sold.

Yet all the things that cattlemen buy to raise beef have gone up in price—have gone up drastically.

Few see any improvement in price this spring or by next fall.

Thus another long year may be in the offing for the county's cattlemen. It may be too long for some and the small ones may just close up shop.

The terrible part of the entire situation is the cattleman has to live with it or perish. In order to do this he must eliminate as many expenses as possible.

Thus he buys as little grain as possible. Thus he does not purchase a badly needed storage building. Thus he does not take vacations and he cuts to a minimum his trips into towns. Thus he does not purchase a piece of equipment he needs for ranching purposes. He might also buy fewer groceries. If the situation is bad enough for him, he may sell off a piece of land to a real estate developer.

He'll have to continue borrowing money, but he may look in places other than banks for cheaper interest rates.

Thus grain sales go down and feed companies feel a pinch. Thus storage buildings are not sold and firms selling them feel the pinch. Farm equipment sales drop and equipment companies feel the pinch.

Some say cattlemen have talked themselves into their own little depression, but it isn't true. Too many cattle are the reason for today's low beef prices.

We think the U.S. government would do well to consider low interest loans for cattlemen for the duration of the depressed price situation.

But most of all we think the U.S. government should provide a temporary subsidy until such time as beef numbers are reduced and prices allowed to come back to a point where the cattleman can make some money.

Mr. JOHNSON of Colorado. Mr. Speaker, if the gentleman will yield further, will the gentleman repeat where that editorial appeared?

Mr. RONCALIO. That editorial appeared in the Sheridan, Wyo., Press published in Sheridan, Wyo., on Wednesday, February 26, 1975.

Mr. JOHNSON of Colorado. Mr. Speaker, let me ask the gentleman another question.

What has been the experience in Wyoming with the emergency loan program during the past year?

There have only been 1,800 of those loans which have been approved that I know of, and we approved the $2 billion loan program, and loans of less than $200 million have been made.

Has the gentleman received any reports in Wyoming on that?

Mr. RONCALIO. Mr. Chairman, I would be happy to respond to the gentleman.

We found in Wyoming the usual problems that attend the requests for bank loans when the financial statement or the condition of the loan case or the price of money then make it unattractive to grant the request of the applicant.

In Wyoming very few ranchers obtained loans, but many said that the result of the legislation benefited bankers more than the cattle ranchers.

The rates were abominably high.

Mr. JOHNSON of Colorado. I point out to the gentleman that in terms of the legislation, the FHA cannot make any loans unless it has a security of 100 percent, and it cannot make a loan unless the local banker can make a loan. But the local banker, if he had the 100 percent, could make the loan.

This is one of the fallacies of the loan program.

What would be the gentleman's reaction if we came out of the subcommittee with the idea of reducing the security that would be required on these loans? In other words, the Federal Government would actually be taking the risk.

Mr. RONCALIO. I believe it would be beneficial, I am cosponsoring a bill to do that very thing, and I believe it would be in accordance with the historic tradition of the role the Federal Government has always played, to assure and guarantee bank loans, as was done in the agricultural program in the late forties and into the fifties. I see no reason it should not be done again.

Mr. JOHNSON of Colorado. Would the gentleman think that this is a better method or would he engage in any other form of subsidized program?

Mr. RONCALIO. This presents a delicate question, and it is one of the reasons for our special order tonight.

I would like to think that we could find new solutions that would avoid everybody's having to cut down and avoid a shortage. We recognize that there are millions of undernourished human beings even in this country, let alone hundreds of millions of undernourished human beings in other countries. To me it presents a question of morality for society to be winding down production of beef when millions of people today need good beef. Therefore, I should like to think that in this Congress there might be a few minds which could think up solutions to these problems.

Mr. JOHNSON of Colorado. I agree with the gentleman on the need for something like that, but I was trying to explore the area of the possible now.

I thought, from the limited experience I had overseas, that one of the obvious needs people have is good beef, whether it is overseas or not. However, when one examines into the possibility of trying to put beef overseas, live beef, establishing herds some place else, it becomes almost a physical impossibility. Therefore, that is something that cannot be done with our present facilities.

Mr. RONCALIO. May I respond to the gentleman?

Mr. JOHNSON of Colorado. Yes.

Mr. RONCALIO. I respond by citing a memorandum with respect to the importing of cattle from overseas. I quote:

The situation is quite sensitive as Australia, New Zealand, Mexico, and several Central American countries are involved and their exporting of beef to the U.S. is a substantial part of their economy.

I think we would be doing a disservice to those countries who are now required to import beef, much to the consternation of our domestic growers.

Mr. Speaker, I would like at this point to insert in my remarks a memorandum dated March 13, 1975, regarding meat imports, prepared by my staff.

I think we should have a moratorium on imports in order to control the prices.

The memorandum follows:

MEMORANDUM REGARDING MEAT IMPORTS

MARCH 13, 1975.

Under the Meat Import Act of 1964, (P.L. 88-482) the President must impose import quotas on meat if imports exceed 1,181 million lbs. An estimate is compiled quarterly by the Secy of Agriculture, and if the estimate indicates imports will exceed the 1,180 figure then the President must impose quotas at a level of 1,076 million lbs. for the year.

From 1968 to mid-1972 voluntary quotas were negotiated with importing countries at a level below 1,180 to prevent imposition of the quotas at the lower figure as required by law. These quotas were suspended in mid-1972 due to high meat prices in the supermarkets. The suspension was continued for 1973 and 1974.

When cattle prices began to drop in 1974, and it was forecast that they would continue to do so for 1975, the President asked the State Department to begin discussions with importing countries to set a level for voluntary quotas at 1,150 million lbs. This figure is below the 1,181 figure which triggers the automatic quotas. If concluded successfully this would prevent the President from having to invoke quotas at 1,074 million pounds as required by the 1964 law. These discussions are still on-going.

The situation is quite sensitive as Australia, New Zealand, Mexico, and several Central American countries are involved and their exporting of meat to the U.S. is a substantial part of their economy. This is especially true with Australia in which 40-50% of their economy revolves around meat exports. Also U.S. relations with many of the Central American countries fluctuates from time to time from poor to worse.

Many feel the quotas as provided by the law are the same as no quotas, because the figure is so high and claim it provides no protection for domestic producers at all.

Mr. JOHNSON of Colorado. The amount of imported beef has not made that big difference. I understand, as a matter of fact, that we are below the import quota which was set in 1964. Is that not true?

Mr. RONCALIO. I believe that is correct.

Mr. JOHNSON of Colorado. Does the gentleman believe that we ought to abandon the quota system and stop all imports for a limited period of time?

Mr. RONCALIO. I believe that a moratorium on imports would be in order and could be executed without a shock to the balance of our economy, to the requirements of our country, or to the economic balance of other countries.

Mr. JOHNSON of Colorado. To return to what the gentleman was talking about, the starving masses around the world, and that we ought to be able to feed them beef, the problem is not too simple. It is cheaper to provide them with wheat and a soy blend. We can do that for about 11 or 12 cents a pound but we cannot send canned beef abroad for less than 70 or 80 cents a pound. Therefore, we run into that situation where we have this surplus in the country, and if we are going to spend the money to feed people abroad, it is more effective to do it in another fashion, which leads us back to the specter of overproduction.

Mr. RONCALIO. I was going to say this brings us back to the very problem.

I want to thank the gentleman very much for his splendid contribution. I am hopeful that his committee will work on this and make some effort to become of some help to the thousands who need it right now in our respective districts and to the millions in this Nation and others who need beef.

Mr. JOHNSON of Colorado. I want to thank the gentleman from Wyoming again for taking this time to try to bring this problem to the attention of the Members of the House and to the public in general. I do not think many people realize how serious it is, and yet, in spite of this, most of these cattlemen have a good sense of humor. For instance, I was having breakfast one morning in Colorado with a cattleman and a friend of his came in and said, "I just had the most unfortunate experience in my life last night."

My friend said, "Oh, yes, what was that?"

He responded, "I had two calves born and both of them lived and now I have to feed them all winter long."

That is certainly a sorry situation.

Another man said, "I will last twice as long this year because I am only losing $100 a day and last year it was $200."

That is the kind of situation we face all over the West. I think if we can only bring this to the attention of the Congress and to the public then I think we will have done our constituents and the country a service.

Mr. RONCALIO. Mr. Speaker, I thank the gentleman from Colorado for his remarks.

Mr. Speaker, at this point I insert portions of an article from the Washington Post of March 9, 1975, entitled "The Meat Price Explosion and Chain Store."

It pays tribute to Mr. Courtney C. Davis, of Cheyenne, Wyo., whose testimony was instrumental in making the position of the beef producers known, including many from Wyoming and Colorado, and to enable a very responsible judgment of millions of dollars against the A. & P. stores for collusion in their purchasing practices, in the general distribution practices and price fixing practices of the chain stores of America. Indeed, four other chains settled out of court in this legislation.

I think this article has a direct bearing upon our problem, and that is the near total absence of competition in the marketplace in the purchase and resale of carcass beef.

The article referred to follows:

[From the Washington Post, Mar. 9, 1975]

THE MEAT PRICE EXPLOSION AND CHAIN STORES

(By James Risser and George Anthan)

In the mid-1960's, officials of the nation's largest supermarkets gathered quietly at confidential "meat clinics" sponsored by their trade organization, the National Association of Food Chains (NAFC).

Each participant was guaranteed anonymity. Neither his name nor his company affiliation appeared on any list. Officially, he was known to his colleagues only by a color-coded badge on his lapel. If he spoke out during clinic sessions, he could be identified only as a member of, for instance, "the red-striped badge group."

The system was developed, one NAFC official explained later, "for the purpose of encouraging people to speak out and not hold back" as the executives discussed complexities of buying and marketing meat at a profit. And, somewhat to their chagrin today, participants did speak freely.

One color-coded supermarket man declared that "it is about time we stopped passing along the savings in distribution costs to the customers. I think we ought to keep some of it for ourselves."

"The group seemed in general agreement with this thought," notes of the meeting said.

Last summer, those words and others uttered at the meat clinics came back to haunt the supermarket industry as a federal court jury in San Francisco handed six cattlemen a stunning $32.7-million verdict against the Great Atlantic & Pacific Tea Co. (A&P) in a lawsuit charging that major retail grocery chains had conspired to fix the price of beef.

During the trial, the chief meat buyer for A&P had denied he ever met with his competitors. But then the jury of four women and two men was shown a photograph of him meeting with other supermarket officials at an NAFC clinic. The impact on the jurors was powerful.

Their verdict was upheld 10 days ago by Chief U.S. District Judge Oliver Carter, who denied A&P's plea for a new trial. Judge Carter ruled the jury had received "sufficient evidence" to support its finding that A&P had plotted with other supermarkets to set the prices they pay for beef at a low level and the prices they charge customers in their retail stores at a high level. The jurors were justified in believing that, at the "various secret meetings," supermarket executives and meat buyers "met, not only to discuss prices of meat, but to forge agreement concerning fixing of those prices," said the judge.

A&P has termed the verdict "monstrous" and plans an appeal to the U.S. Circuit Court of Appeals. The decision has sent tremors through the multi-billion-dollar supermarket industry as cattlemen in other states have moved quickly to file similar suits. While the San Francisco case covers a period which began almost a decade ago, some cattlemen contend the alleged practices have continued.

Backed by some farm-state congressmen, the cattle raisers say large supermarket chains wield undue influence on wholesale and retail prices of meat. Rep. Neal Smith (D-Iowa) charges the chain grocers have replaced meat packers as the largest single force in the nation's food industry, saying they exert "tremendous leverage" over meat prices and can, in effect, dictate prices meat packers pay the cattleman for his live animals.

Smith is pushing legislation to limit the chains' involvement in production of meat, and some veteran industry regulators at the U.S. Agriculture Department agree privately that tough new laws are needed.

The farmers complain that low prices they are paid for cattle are not adequately reflected at the stores' meat counters. This has become one of the most curious aspects of the high food-price situation of recent months. How can it be that U.S. cattlemen have lost $100 to $200 on each animal sent off to the slaughterhouse, and yet consumers have had to pay higher prices for their steaks and hamburgers?

Agriculture Department economists and statistical experts agree that if there is an economic villain, it's someone called the "middleman"—the meat packer, the processor, the packager, the shipper, the retail grocer. All have been getting an increasingly large piece of the action as beef makes its way from an Iowa farm or a Texas feedlot to the American dinner plate.

Agriculture Department figures show that in 1971 middlemen, including the retail supermarkets, added an average of 36.5 cents to each pound of choice beef they handled. This increased to 52.7 cents a pound in 1974.

A special department task force reported last August that meat price margins—costs added by middlemen—"exploded" late in 1973 and early in 1974 "while market prices for cattle and hogs dropped sharply and losses mounted for livestock feeders." General inflation, restrictive labor union practices, government regulations and market distortions caused by earlier federal price controls were factors in this "explosion" but not enough to "explain the surge," the task force stated.

Cattlemen's suits patterned after the California case are on file in Nebraska and Texas, and the filing of others is under consideration. A $1.4-billion antitrust action filed in Cedar Rapids, Iowa, by cattlemen there was dismissed recently, but strong efforts are being made to revive it.

An examination of the voluminous record in the six-week A&P trial in San Francisco shows that cattlemen's attorney Joseph M. Alioto (an antitrust specialist and son of San Francisco Mayor Joseph L. Alioto) was able to produce little clear or startling proof of an overt conspiracy. There was no document actually showing high grocery chain officials agreeing on price-fixing schemes. But there was massive testimony and statistical evidence that, at a time when beef demand was high, cattlemen were being paid low prices while supermarket profit margins were rising. And the jury apparently was convinced that the NAFC meat clinics were a

cover for supermarket efforts to get together on pricing.

TWO CHAINS SETTLE

The case, filed in 1968, originally named as defendants A&P, Safeway Stores, Inc. and Kroger Co. The three firms had conspired to pay low prices for the beef they bought and to fix high prices for the beef they sold to customers, the petition asserted. The large supermarket chains, the cattlemen alleged, had divided geographical territories among themselves to reduce competition. They also had eliminated competition among themselves in purchasing meat products, and even among different stores of the same chain. Also, it was charged, they had exchanged information on prices, sales, margins and profit through their trade associations.

Safeway and Kroger eventually elected to avoid a trial and settled out of court by paying the cattlemen $90,000 for attorney's fees, though the two chains strongly denied the charges against them. A&P, however, decided to fight the case to the end.

After a six-week trial, the jury returned its verdict, finding that a price-fixing conspiracy had cost the six cattlemen 20 cents a pound on all the beef they sold from 1964 through 1967. As a result, they had lost a total of more than $10 million and, under federal antitrust law, were entitled to triple damages.

The plaintiffs produced witnesses to buttress their claim that the big supermarket chains had agreed, perhaps only through an informal "understanding," to pay packers uniform, arbitrary, non-competitive and artificially low prices for fresh meat and meat products.

Cattlemen told the jury they sold cattle for less than it cost to raise them, and that they were able to stay in business only with bank loans and by raising crops. Also, a former independent packer testified that he had been forced to pay cattlemen low prices because of "great pressure" from major food chains he dealt with.

THE "YELLOW SHEET"

In addition to the NAFC meat clinics, evidence of some contact among competing food stores came in testimony of A. D. Davis, an official of Winn-Dixie stores. He said he had given his private telephone number to officials of some other firms to save them from making more expensive person-to-person calls when they wanted to speak to him.

The calls often related to handling of "excess supply" of beef, said Davis, who acknowledged that he may have told a competitor that Winn-Dixie was planning to "feature" beef.

Supermarket officials said that the NAFC often issued notices to its members telling them of the existence of excess meat supplies, and asking them to conduct beef sales. But A&P lawyers said such sales had the effect of removing excess supplies and actually benefitted cattlemen.

The cattlemen who testified in San Francisco made it clear they don't feel that way. Courtenay C. Davis, who operates a 75,000-acre ranch at Horse Creek, Wyo., told the court that many cattlemen have been losing money since 1952. At about that time, he said, "a powerful new force emerged in the form of the concentrated buying power of fewer and fewer big chain store buyers, operating without restraint in the carcass beef market."

Supermarket officials testified that the four largest chains together were accounting for less than 20 per cent of carcass meat sales in the nation, but they acknowledged that much of the other 80 per cent represented "fragmented" purchases by locally oriented grocery, hotel, restaurant and institutional operations.

And in conclusion I offer a letter from H. E. Stuckenhoff, a physician/livestockman, and one of the outstanding citizens of Wyoming. It is an account of the tragedy facing the livestockman today, and he comes up with truly original thinking on abolishing the futures market, for example, abolishing the practice that allows speculation on commodities, and a return to the ever-normal granary, a concept that I think is an idea whose time I believe has come.

His letter ends with an old saying that the luxury of today is the necessity of tomorrow. He says that this may well be reversed in coming years to the necessity of today may well be the luxury of tomorrow, at least in the cattle business. Unfortunately, he says we are an idealistic nation in a world of realism, and that it is time that we become realistic, if we want to restore the price of cattle in America.

The material referred to follows:

B. B. BROOKS CO.,
Casper, Wyo.

Hon. TENO RONCALIO,
House Office Building,
Washington, D.C.

DEAR TENO: The situation that exists in the cattle business is nothing less than chaotic. My family has owned the Brooks Company, a livestock producing company, for 28 years and never have I witnessed anything like the prices we must accept today! Cows sold at Torrington last Thursday for 3¢ to 15¢ a pound. Many cows going for $35.00 to $90.00 a head. I understand that Van had a string of these cows in, selling for 9¢ a pound.

Feeders are not as anxious to buy as they have been in the past. The real culprit is the high price of feed grains, particularly corn.

A similar situation existed in the late teens and twenties when the grain pits, large elevator companies, controlled the price of grain. The biggest gambling today is in the grain pits. Las Vegas doesn't hold a candle to this type gambling. With rumors of foreign sales, shortages, drought, famine, the farmer is encouraged to hold his corn instead of orderly marketing. Further the market on grains goes up and down like a yo-yo which indicates manipulation rather than a true market.

Former President Roosevelt, as you will remember, with the aid of Congress did away with grain futures and established the ever normal grainery rescuing the farmer from the fluctuation grain prices existent at that time. The large grain companies would operate but not at big profits because of the controls extended which did not allow wide fluctuation.

If the present situation is allowed to continue the feeder will sit on his hands and not buy. The corn farmer will hold, hoping for higher prices and someone will get hurt. I well remember in the spring of 1921 when corn dropped from $2.45 a bushel to 45c in a period of one month. There is now a complete loss of confidence in the cattle producing area. I talked to James Miles last evening and he told me they will lose $140,000 this year. They are a well established outfit owing very little on their holdings. I haven't gotten a complete rundown on our outfit but I can tell you that this will probably be the blackest year in the history of this company. I have the records since 1901.

The Democratic Congress, I believe, has a mandate from the people to put forth definite constructive legislation that will put a stop to some of the manipulative efforts in this and other fields which all contribute to inflation. Fine tuning won't do it. Experience thus far should tell you that.

In my mind it is time for drastic moves and some toes will be stepped on.

(1) Discontinue all futures markets in grain and livestock.

(2) All commodity market transactions could be covered by cash or cash equivalent.

(3) Pass legislation to override G.A.T.T. (General Agreements Tariffs and Trade) and deal with each country, country by country.

(4) Do away with Law 480 (Agricultural Trade and Development Act of 1954) whose purpose has been long outlived and force all countries to pay cash for all grains. If we wish to contribute food to starving nations let's do it above board. Let's not use the subterfuge of Law 480.

The public will accept gasoline rationing if handled properly and limit the imports of petroleum to fit our bare needs. People recognize this is the only way to force the Arabs' hand which would happen in the course of about 12 months. No oil, no food, no supplies.

(1) Tax all overseas corporate branches of the U.S. corporation as you do U.S. corporations solely operating within the U.S. borders.

(2) Remove all financial guarantees on corporate expansion overseas by any branch of the U.S. Government such as noted in the expropriation of ITT properties in Chile for which they were awarded $70,000,000.

(3) Wage and Price controls if properly administered are not unacceptable with the rollback of prices.

(4) Regulation W as used during World War II would reduce the galloping total debt which has increased from 1 trillion 500 billion to 2 trillion 500 billion dollars in less than 10 years.

Johnson's great error of "guns and butter" at the same time, and so admitted by Heller at a meeting in Casper last year, has to be the greatest financial mistake of the century having catapulted us into the worst inflation in the history of our country.

We are faced with buying fertilizer next year at 2 or 3 times the price we formerly paid for this commodity. This is true of everything we buy and I'm sure if the present situation continues it will break a lot of cattlemen and their independence won't save them this time.

There are many areas of semi-monopolistic corporate operations in which the unbridled escalation of prices needs to be curbed if we are to have all areas of our economy survive. The examples are numerous and exist all around us.

The law of supply and demand is an overused and outdated method of control of prices when all the stable article manufacturer has to do is cut back production. The only place it really works is in the livestock business and with the expansion of the super markets it begins to lose its significance.

Teno, people expect positive, constructive action so that all areas of our economy can survive and not one profit at the expense of the other.

Ford's only constructive effort so far has been the limiting of meat imports from Canada.

The situation today is not too unlike the Hoover Administration and if Congress does not take positive, constructive efforts and pass legislation to override the President, in case of vetoes, we may end up with a situation similar to the thirties.

Sincerely,

H. E. STUCKENHOFF.

P.S. There is an old saying . . . the luxury of today is the necessity of tomorrow. This may well be reversed in coming years to . . . the necessity of today may well be the luxury of tomorrow. At least in the cattle business.

Unfortunately we are an idealistic nation in a world of realism and it's damn time we are becoming realistic.

Mr. MONTGOMERY. Mr. Speaker, I commend the gentleman from Wyoming for taking this time today in order that we might devote attention to the very

pressing problems in our Nation's cattle industry. Of course, we should note that the economic squeeze facing our livestock producers affects more than just them. Unless we are able to provide a measure of relief for the current depressed market, the consumers of America will soon feel the effects of higher meat prices.

It is astounding to note that the selling price for beef on the hoof has dropped by 60 percent in just a year. This is even more astounding when you realize that production costs for cattlemen has risen significantly in this same period of time. The cattle industry finds itself in the very difficult position of not being able to afford to continue feeding their stock, nor can they really afford to sell it at this time because of the depressed market.

Mr. Speaker, the one question uppermost in everyone's mind is how in the world can the selling price of livestock on the hoof be so low when the cost of meat at the retail level is remaining at or near record high levels? This is one question I hope the appropriate committees of Congress, as well as the FTC, will address in the not too distant future.

However, we must turn our attention today to steps that must be taken in order to prevent any additional cattlemen from being forced out of business because of the cost-price squeeze. Among some of the steps I urge our Government to take would be the buying of additional meat products for the school lunchroom program and encouraging the military services to increase the amount of meat in their daily menus. We must also take action to increase the amount of canned meats in our food assistance programs to other nations.

One step that has been taken by the Department of Agriculture, and I commend them for their action, will hopefully result in a decrease of production costs to cattlemen. I, of course, refer to changes in the grading system of meat that will mean leaner meat. This will result in a decreased amount of feed necessary to "finish out" livestock.

Mr. Speaker, what we must not forget is that any steps we take to solve the problems of the cattle industry are steps for the benefit of the consumer. This is a point which I am afraid many of my urban colleagues have overlooked to the detriment of their own constituents.

Mr. NOLAN. Mr. Speaker, the old saying "so goes agriculture, so goes the Nation" has never proved so true as today. As dairy and cattle producers are forced by the thousands to give up their family operations and move to cities, employment lines grow longer and the recession intensifies daily.

Unfortunately, the State Department is negotiating with the world's major meat producers to increase meat shipments into this country by more than 100 million pounds in 1975.

This action is an incredible affront to American livestock producers, who are experiencing their worst depression of the century. Department of Agriculture figures show the value of all cattle and calves dropped during 1974 by some $20 billion, or over 50 percent.

Correspondingly, the Farmers Home Administration reports delinquency in farm and ranch loans increasing dramatically over the last year. On January 1, 1975, 45 percent of FHA loans to farmers and ranchers were delinquent—compared to an already alarming 29 percent the year before. From October 1974 to January 1975, over 72 percent of farm and ranch loans went to livestock producers.

The situation is hardly surprising. Our Government is once again implementing a plan guaranteed to produce depressed prices for those who should be getting help.

In the past, there was little concern that high-grade, grain-fed American beef could be put on a competitive quality market with grass-fed foreign beef. But high grain prices have forced livestock producers to begin marketing grass-fed animals. More imported beef will force American farmers into a cutthroat competitive situation.

The present quota system is based upon domestic livestock production. As domestic production increases, import quotas increase. At the same time increased production is causing prices to fall. Thus, import quotas increase at the worst possible time.

Every other country in the world except Canada has an embargo against beef imports. Canada has an embargo which allows a limited amount of beef imports.

The effect of increasing beef imports now would be totally devastating. How long will American farmers have to struggle with their own Government against bankruptcy and oblivion?

Mr. HIGHTOWER. Mr. Speaker, I thank the gentleman from Wyoming for yielding.

I am a consumer. And just like my 432 colleagues in the House of Representatives, I represent approximately 470,000 other consumers, with the numbers varying slightly in each district. So I can easily agree that this is a consumer-oriented Congress, which is just another way of saying this is a constituent-oriented Congress.

However, I am a member of a somewhat unique minority in this Congress. This minority consists of Congressmen who represent those districts that produce the food we consumers consume.

The 13th district of Texas and the adjoining 19th district, so ably represented by Chairman GEORGE MAHON, produce one-eighth of all cattle sent to market from feedyards in the United States. This area, known as the Panhandle of Texas, produces 75 percent of all the cattle sent to market from Texas feedyards.

The number of cattle on feed in the seven major cattle-feeding States March 1, 1975 was down 41 percent from a year ago. In Texas, the number of cattle on feed was down 53 percent March 1, 1975 from a year ago. The average occupancy of the Panhandle feedyards is now at 35 percent. The normal breakeven is 60 to 80 percent.

The loss on animals marketed just last week averaged $47.67 per head. Total losses on feed cattle in the last 18 months, since the price freeze was lifted in September 1973, are approximately $458 million in Texas and approximately $2.75 billion in the United States. Some losses have exceeded $200 per head.

You might properly ask, How can cattle feeders stay in business? They cannot under current market conditions. Seven feedyards have closed in the Texas Panhandle. Approximately 53 percent of the work force in Panhandle feedyards were laid off during the past year—1,240 from feedyards and an additional 800 in allied industries. In my district Wheatheart, Inc., Perryton, declared bankruptcy earlier this year. The largest beef packing plant in the world, American Beef Packers, located in my district at Cactus, in the northern Panhandle, suspended operations and declared bankruptcy in January.

These facts and figures affect each of us, Mr. Speaker, each consumer, each constituent. They affect the supply of food we eat. They affect the supply that will be available this fall and next year and the year after that. Each of us listens carefully to what the housewives tell us. She does not buy a dress every day. She does not buy an automobile every day. But she is reminded every day of how much she is paying for food. If this Congress does not take immediate action to improve market conditions for cattle producers, we are going to hear from her a lot more. We may not like to hear what she is saying now, but this is mild to what we will hear when the inevitable shortages result and the consequent price increases that will most certainly follow. Our concern should be addressed to the problem of priority for an adequate price to the producer who will then continue to supply an adequate market for the consumer.

GENERAL LEAVE

Mr. RONCALIO. Mr. Speaker, I ask unanimous consent that all Members desiring to do so may revise and extend their remarks and include extraneous material on the subject of my special order today.

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

There was no objection.

THE ARAB BOYCOTT—AN INTOLERABLE FORM OF BLACKMAIL

The SPEAKER pro tempore (Mr. KREBS). Under a previous order of the House, the gentleman from New York (Mr. FISH) is recognized for 25 minutes.

Mr. FISH. Mr. Speaker, recent revelations of the efforts of Arab nations to enforce an economic boycott shed light on the manner in which the Arabs are going to use their new-found financial power.

Newspaper accounts relate that a Kuwaiti investment firm withdrew from two lending syndicates headed by Merrill Lynch because of the inclusion in the syndicates of Lazard Frères, a firm on the boycott list. In addition, reports of attempts to exclude the banking concerns of Rothschild and S. G. Warburg from potential transactions indicate that the Arabs are not just boycotting Israeli interests, but rather engaging in an attempt to generate anti-Semitism in

Western economic practices. The Anti-Defamation League of B'nai B'rith has also made public the names of major U.S. companies and two Federal agencies which have submitted, at least in part, to the Arab anti-Jewish campaign.

The Army Corps of Engineers has admitted that while overseeing construction work in Saudi Arabia, it will not use Jewish personnel on the job in compliance with their demands. Is this not a violation by the Federal Government of title VII of the Civil Rights Act of 1964? In addition, the Overseas Private Investment Corporation, responsible for stimulating American investments abroad, has allegedly succumbed to Arab demands concerning Jewish personnel in the Middle East.

Mr. Speaker, I feel it is important to differentiate between what the Arabs are doing and U.S. policy with respect to Cuba and China. The Arab boycott, which only recently has received notoriety, actually originated before the state of Israel was founded and was aimed at prohibiting the establishment of the Jewish state. Today, the oil producing nations are using petrodollars to exert financial pressure on those doing business not only with Israel but with all Jews in an attempt to economically destroy Israel.

United States trade restrictions have been imposed against certain countries such as Cuba and China which were deemed to be hostile at the time of imposition. Our restrictions however, apply only to U.S. citizens and U.S. businesses and products. The Arabs restrict not only themselves but third parties all over the world.

Mr. Speaker, this boycott is blackmail—no more, no less. Any participation by U.S. businesses or public agencies in the Arab boycott strikes at basic constitutional guarantees and raises questions as to whether violations of the 1964 Civil Rights Act have occurred or are presently occurring. I am encouraged by President Ford's public statements on this issue that his administration will not tolerate official or private discrimination against Jewish businesses and individuals. In addition, I have signed a letter along with many of my colleagues from both sides of the aisle, to Attorney General Levi requesting the Justice Department investigate any and all allegations of official and private U.S. participation in discrimination against Jews in response to Arab demands.

We should make it clear to Arab nations and the entire world that any attempts to do business in a discriminatory manner will not be sanctioned by this country. Furthermore, any nation that has as its stated purpose a discriminatory practice against American citizens on racial or religious grounds should not be allowed to control or purchase American companies to implement its illegal and immoral goals.

Mr. Speaker, I am calling for an immediate review of existing legislation to determine if adequate safeguards now exist to deter further Arab attempts to bludgeon American companies into committing acts of anti-Semitism. I am pleased that the House Subcommittee on International Trade and Commerce has begun hearings on this issue. In addition, I would like to call my colleagues' attention to Senator Williams' legislation, now pending before the Senate Commerce Committee, which would empower the President to bar individual foreign investments under certain circumstances. I have sponsored similar legislation in the House (H.R. 411) which would create a National Commission on Foreign Investments to oversee foreign investment in this country. The Export Control Act presently calls for notification by American companies to the Department of Commerce of any requests for discriminatory action by foreign countries against friendly nations. Mr. Speaker, this act should be amended to provide for penalties for complying with demands for discrimination.

Only by our affirmative action will the Arab nations realize that the exercise of their economic power to foster anti-Semitism will not be tolerated by this Nation.

THE CONSTANT NEED TO ELIMINATE WASTEFUL SPENDING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alabama (Mr. EDWARDS) is recognized for 10 minutes.

Mr. EDWARDS of Alabama. Mr. Speaker, as representatives of the people and as watchdogs of the National Treasury, we must ever be mindful of the urgent and constant need to eliminate wasteful spending.

In these days of inflation and recession when we, as leaders, are asking the American people to tighten their financial belts; we must set the example by first looking at the Federal Government and eliminating the fat, the frivolous, and the unnecessary.

What I am talking about is going on right here in Congress and in the various Federal agencies; and we have not done one thing to stop it. It is reported that carpets are scrapped by high-level officials because the color happens not to be appealing to new tenants when the office changes hands; chauffeur-driven limousines are provided for far too many Federal officials; $150,000 was spent on a dining room for the Secretary of Agriculture; and the list goes on and on. It is high time that Government officials stop feathering their own nests at the taxpayers' expense.

Several of my constituents have brought to my attention an article written by Paul Harvey, entitled "Taxpayers Hit on Odd Programs." I want to share portions of this article with you. The article states that Congress has appropriated money which has been spent for the following: $375,000 to study the frisbee; $124,000 to find out why people say "ain't"; $37,134 for a potato chip machine for the Moroccans; $117,250 in wages for the Board of Tea Tasters; $85,000 to learn about the cultural, economic, and social impact of rural road construction in Poland; $20,000 to investigate the German cockroach. The people in my district in the State of Alabama just do not understand this type expenditure and I cannot for the life of me see how many of these expenditures can be justified.

How can we expect Americans to make personal day-to-day living sacrifices while there are questionable and unneeded government projects and programs reaching into the paycheck of the working men and women who have to struggle daily to put food on the table and clothes on their backs.

It is more important now than ever before to hold the line on the present budget and any new spending programs. Excessive Government spending by Congress is an evil for which we all are paying dearly at this time.

President Ford's 1-year moratorium on the start of any new spending programs has merit. We also need to consider tax reform, impose a windfall profits tax on oil companies and examine existing government programs microscopically. As a member of the House Appropriations Committee, I plan to do just that, and I hope my colleagues will do likewise.

The Federal Government is complex and there are many individual projects included in every massive departmental request for funding. The truth is, we do not normally see such items in the budget. They crop up later in a research grant, but it is up to Members of the Congress to examine these requests and search out and eliminate those projects not worthy of taxpayer funding and to cut down on worthy projects and programs that can withstand reduction.

On another front, the House Administration Committee continues to grind out little plums for the Members of Congress under an ill-conceived bill of a few years ago which relieved the full House of having to vote on such issues. I will always be proud that I voted against this procedure.

As leaders, if we expect others to follow, we must also look here in our own backyard to eliminate abuse and hold down expenses. Congressmen and Senators should not play "King of the Hill" when there are Americans suffering and sacrificing, muchly due to actions collectively enacted by their elected representatives.

MEDICAL MALPRACTICE INSURANCE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. ASHBROOK) is recognized for 10 minutes.

Mr. ASHBROOK. Mr. Speaker, a crisis is developing in the area of medical malpractice insurance. Many doctors in Ohio and across the Nation are considering early retirement or giving up practice altogether because of insurance cancellations and exorbitant rates. When this happens, it is the communities served by these doctors that suffer.

One company working for a solution to the problem is Shelby Mutual Insurance Co. of Shelby, Ohio. Oliver C. Griffith, who is president of the company, has developed some special insight into

this matter. Mr. Griffith offered his recommendations in a speech delivered in Tampa, Fla., in January of this year.

I believe his ideas merit the serious attention of my colleagues. Therefore, I am including excerpts of his speech in the RECORD:

TAMPA, FLORIDA, *January 28, 1975.*

THE PROFESSIONAL LIABILITY UNDERWRITER: HIS CURRENT PROBLEMS AND SOME SUGGESTIONS FOR THE FUTURE

Good morning ladies and gentlemen. I am pleased to be with you in this important national seminar.

Hopefully, the following may contribute to a better overall perspective. Possibly, some of the ideas emerging in my remarks as well as in the following discussion could even start the ball rolling toward real improvement in professional medical liability in the United States. Such improvement is seriously needed.

The medical professional crisis has been brewing for years. The fact that 1974 was the roughest possible year on property and casualty business is not at all beneficial. Conditions toward a crisis were, however, forming in the mid-1960's.

When my own company began to write this line, in 1952, it was a comparatively rare thing for a patient to sue a doctor, alleging a malpractice incident, and make any successful recovery. My own father practiced medicine as an M.D. for over 43 years and no recovery of any kind was ever rendered against him.

Only three times was he called upon to respond to "therapeutic misadventures." Never in my working lifetime have I seen such rapid and drastic deterioration of a supposedly viable line of insurance. It seems clear to me that the beginning of the current problem dates approximately from the onset of medicare, which in itself started to heighten the sensitivity of the consuming public not only to the needs and costs for medical treatment, but to some of the fallibilitites of such services, however well-motivated the health-care provider.

We are not blaming the concept of medicare for anything. Likewise, our approach in these comments is not an assessment of blame on any segment of our society. Instead, our purposes are to highlight the trouble spots, to give some frank evaluations of conditions as they seem factually to be, and to try to suggest where the emphasis might be placed in a direction of positive improvement.

In the early 1960's there was the supposed goal of the great society, which was to be a society showing compassion for the so-called "little man". This little man was to be raised from his lowly station in life by a generous and discerning government, somehow able to do all of these things without any burdensome costs falling on the recipient.

In the course of providing all these services, including medicare, and medicaid, our little man was going to be able to upgrade not only his housing, his clothing, and his feeding. He was going to be able to do at least two other things. One was to drastically improve his whole pattern of security, confidence, and well-being. The other was also partly psychological, the idea being that now our little man was going to be able to question any institution, and to proceed aggressively against any source, whatsoever, of irritation, embarrassment, real or imaginary harassment, and real or imaginary injury of any sort. The quality of life would soar.

All of these patterns of supposedly improved status became a matrix of rights, rather than mere privileges. Considering the nature of the human condition, there should have been little wonder that all of this did not quite work out. Our little man found out that there was no free lunch. He is not to be individually blamed too much, especially when the entire country thought it could blithely proceed on the basis of very large amounts of borrowed money. The stage was set for the mammoth medical cost dilemma in which we find ourselves. Inflation became a way of life. It began to seriously erode the insurance transaction.

The little man's costs of going to the doctor escalated. Hospital costs per-day elevated. The paper work related to being ill exacerbated. And the physician-patient relationship deteriorated.

The medical professional crisis, crudely called the malpractice situation, is with us now and with a vengeance.

Almost every major segment of society has a stake in this situation. Insurance regulators are concerned about rate levels, and of course, availability. Insurance companies are realizing that, under present aggregate conditions, it is well-nigh impossible to continue to afford this type of insurance coverage. Medical costs are skyrocketing. Hospital costs are almost unaffordable. Doctors blame lawyers for greedily pushing unwarranted actions, and also for sharing too heavily in the spoils via contingent fees. Individual State medical societies are vigorously studying the problem and proposing a variety of solutions. Lawyers are blaming doctors for sloppy and negligent treatment. Undoubtedly a certain small percentage of lawyers, located particularly in States wherein automobile no-fault laws have come about, have switched over into these other avenues of activity.

The result is that we come now to a realization of the hard facts of life on this line. No insurance mechanism can continue to operate when the aggregate of losses is eventually two, three, or four times the gross aggregate of premiums. Certain regulatory authorities have persisted in looking at the line on the "pay-out" basis, seemingly refusing to realize that the standard body of coverage applies to treatment rendered during the policy period, with losses out of that particular period then trickling in for probably ten years or even up to a quarter of a century. Insurance companies fell down completely in their predictive role as respects these rates. Severities are up, and frequencies are up, and as yet juries do not seem to realize that they are doling out the assets of the people in these outlandish verdicts. These funds must be secured from the doctors. The doctors have no alternative but the one of passing these costs back to the public in the form of higher and higher fees for services rendered.

It is no wonder that insurers are leaving or have left the line, because there is no real way under present conditions to underwrite the risk. When inflation is considered, the "long tail" of losses makes proper rating almost impossible. Underwriting is tremendously handicapped because it is extremely difficult to judge the skills of the practitioner. The G.P. as well as the specialist may find himself in court. There are too few doctors for the number of patients, and yet the Federal Government is seriously proposing a national health program which will add further tremendous strain into the picture. I therefore submit a key point, namely, that national health insurance is an impossible myth, without a prior satisfactory solution to the medical malpractice situation. But, instead of dwelling on the adversities of the problem, something new and innovative must be proposed.

Conscientious insurers have suggested a drastic revision in the body of protection. I refer here to the "claims made" concept. Insurers generally, including my own company, may finally be mandated into that type of revised contract, possibly on some kind of a pooling basis. One reason that we do not, however, find ourselves with any marked enthusiasm for it is that this concept falls short of affording the practitioner the *ultimate* protection needed. Down the road there must be some further payment, right at the time when the doctor would be retiring. The premium load would then fall on him the hardest. That technique deprives the doctor of one of the benefits of insurance, namely the immortality, hopefully, of the insurer. The cost of the "long tail" of losses would mar the financial outlook of many doctors, and even force early retirement for some.

When one of these fantastically high verdicts comes through, there are comparatively few doctors (compared to other homogenous units of exposure in other lines) over which to spread the cost. Consequently, it is not impossible to envision in the future premiums per-year per-doctor of $25,000 to $35,000 if present conditions persist, even assuming a continuation of the present standard body of protection.

In any event, it seems necessary now to narrow the issues and strive for some sort of effective and reasonable action. For good reasons, it seems to me we must rule out partial solutions which only nibble at the real problem. In this category I place increased deductibles, forms of no-fault, special court arrangements devoted solely to malpractice, and arbitration.

Of a certainty, though, State insurance regulators must understand the foundational rating concepts properly applicable, and should be permitting rate levels which much more closely reflect long-run demonstrable costs. This leeway will involve trend factors for the long tail in the magnitude of probably a minimum of 5% per year.

Changes must most definitely be made in the insurance environment surrounding the rendering of medical care. Since adequate rating is so difficult to come by, medical professional premiums should be carved out from company taxation, as should the investment income on those same premiums. This is to propose that medical malpractice premiums should definitely be put in a special exempt category, along with the related investment earnings. That category should be one of exemption from present tax and this should be enacted on the basis of allowance for carryback of loss for at least the years 1974, 1973, and 1972. That arrangement should apply for a minimum period of fifteen years from enactment (such as from 1975 through 1990), in order to permit time for two developments.

One development would hopefully be some dampening of inflation. The other would relate to the installation of a careful statistical analysis, beginning with calendar year 1974, in order to demonstrate the developing real costs of the "long tail" of losses. Only because of the long-time aspect injected is there any justification for this mixture of operating results and investment results, but it will serve the purpose of allowing the premiums paid by the doctors to be as fully enhanced as possible by the time of application to inflation-swollen losses. The above should be applicable across the board to every company voluntarily or involuntarily involved with malpractice insurance; mutual, stock, and reinsurer.

With the entire population asserting the right to individual quality medical care, there must be the practical realization that medicine today is an art and not a science. There are no guaranteed cures, but in the last three years especially, people have been acting as though the failure of a cure, as conceived by the patient, constituted the equivalent of doctor-negligence. It is impossible and impractical for this to continue. Action patterns within the states should be immediately addressed to the reasonable limitation on the recovery of any one patient, for any one illness, irrespective

of either a multiplicity of simultaneous ailments, or a plurality of doctors being involved in the treatment.

In the comparatively recent history of this country, there was an arbitrary amount of life insurance, such as $10,000, assigned as to what society should pay for death in war. It is true that under the standard current body of coverage, the doctor must agree in writing with the concept of any settlement, but it is not inequitable to also recognize that the doctor can respond only up to a point, dollarwise. Beyond a certain figure, the financial aftermath must fall back on the individual patient, or, in extremely unique cases, on some other source. It would not be unreasonable to have recoveries, by patients, except in intentionally fraudulent treatments, be limited to a maximum of $50,000.

Insurers, if they are to be drawn somehow as a group into this vortex of problems, should have the benefit of some limitation to responding for the events of a particular policy year of treatment. Of course this brings up the sticky problem of the statutes of limitation, but it would not be unreasonable for a company to be required to respond only to losses which actually surface within four years of the end of a particular policy period. Claims arising thereafter would be dealt with by some new mechanism which would nevertheless be internalized within the health-care-cost area.

If, on an emergency basis, States are going to attempt to deal with this crisis via forms of mandatory pooling, two things appear true. The basic one is that there can be no delay in *first* changing the legal environment in material fashion, and in fact changing it as a condition precedent. The other is that the health care delivery system must be viewed as a totality of which the malpractice problem is presently a sorry part. There is no significant relationship between the losses arising out of considered and intentional treatment, and other *general liability* lines involving accidents. It follows, then, that losses, in the event of arriving at mandatory pooling solutions, must fall on premiums for accident and sickness, health, Blue Cross and Blue Shield arrangements, medical payments on automobile, the medical cost portion of Workmen's Compensation, and all other health-connected revenues wherever found.

Notice, though, that a lot of the conversation has dealt with the problem of the malpractice loss, and coping with it, but *after* the so-called therapeutic misadventure has already taken place. Consequently, let's move aggressively into an area which has had only a comparatively small amount of attention.

I refer here, of course, to the doctor-patient relationship, the drastic improvement of which might hold nothing short of tremendous possibilities. Certainly it is to the health care deliveries that we must look for the improvement of medical care.

It is quite apparent that either there are certain flaws in the overall pattern of delivered care, or else that somehow the expectations of our average patient have become totally unreasonable. Where there is so much smoke there must be some fire, and it therefore seems obvious that doctors must agree to start to put the microscope on their techniques, medical, psychological, and communicative, and also that they must actively work on scaling down the otherwise unwarranted anticipations of the patient. If it were not for the triggering events producing adversarial actions by the treated patients against members of the medical community, insurance carriers would not be defending or recording all of these incidents which are proving so terribly costly. Doctors must bring themselves around to a realization of the aggregate impact of their care. Without delay the medical community should assume the responsibility for doing for themselves what no other source can do for them. That is, reverse the irritative aspects of their services, and erect some kind of moral barrier to patient hostility.

I therefore propose that a specialized committee of the American Medical Association immediately address itself to the solution, or at least the partial solution, of this problem within their scope of responsibility. One facet could be a national project to develop a letter of intent whereby doctors on an essentially unified and national basis would indicate a renewed willingness to alter some of their habits and strive for the implementation of an understanding of the rights of patients. In return for this professional conciliatory shift, patients would be offered and asked to sign a document, as a moral rather than a legal instrument, at the time of entry into any form of medical treatment, with the exception of emergency care, and also not in the cases of treating minors or incompetents.

For want of a better specific characterization, this document might be called a PDQ-card. This would stand for Patient-Doctor-Questionnaire. On the back of that card could be the succinct new letter-of-intent and bill-of-rights being offered the patient by the medical community. On the front of that card could be certain simple affirmative questions being asked of the patient. If the patient was unwilling to even consider the PDQ-card, and assuming the patient in reasonable control of his own health situation at the time, this would give the doctor a positive clue as to the reasonableness of assuming responsibility for treatment. If the patient was amenable to considering the message of the PDQ-card, but was not willing to answer all questions affirmatively, that would not necessarily mean that treatment would be refused. If all questions were answered affirmatively, that patient would have qualified for charges by any doctor which would be only 75% of the costs levied on other patients not affirmatively replying to the full questionnaire.

The PDQ-card technique would, in itself, be a basis for a good conversational exchange between the doctor and the patient. If the patient assented to and signed the PDQ-card, that would stand in the files of the county medical society, embracing the home address of the patient, until the agreement was revoked by the patient. The assenting-and-signing patient would be given a numbered card evidencing the arrangement and the entry by that patient into a revitalized and somewhat more clearly defined relationship with the medical community.

As respects the "bill-of-rights letter-of-intent" back portion of the PDQ-card, the committee of doctors would determine the content. The message on the back of the PDQ-card could be a real boil-down of the many things that doctors today wish to say to the public, couched in sincere and friendly dialogue. It seems to me that there would therein have to be a bona fide recognition and agreement by the mass of doctors that there is in fact something systemically substandard about the present status of the doctor-patient relationship, and that the purpose of the card was not only informative but remedial. Somewhere on this reverse portion of the PDQ-card doctors might want to set the record straight as to the general relationship they maintain with other doctors and nurses involved in any one case.

One possible inclusion in that material could be the stated willingness of the doctor to upgrade his own knowledge and competence at every reasonable opportunity. Another could be his willingness to cooperate fully with the development of injury-prevention programs at any health care institution with which he is connected. Another could be the factual assertion that over time all liability costs are borne by the doctors themselves and that these costs do not ultimately fall on any outside magical source of assets. With respect to the matter of the suggested 25% discount, applicable to the fully affirmative signer-patient, there would have to be equally honest and wholehearted handling. Gone are the days when a doctor can charge on the basis of "what the traffic can bear". Our former little man is tired of being talked down to and he is now a full-fledged consumer. He should certainly pay his own way, but the basis of charges should be reasonably ascertainable in advance, fairly uniform in the locality, and related to the procedure involved rather than to the status of the recipient. Of course, allowance has to be granted for the amount of time invested by the doctor on the individual case, but the promised discount must be real and not finagled. That is, the doctor should not go into the arrangement on the basis of overcharging so as to be able to allow an "artificial" discount.

As respects the content of the front (questionnaire) portion of the PDQ-card, the adopted questions should be reasonable and equally conciliatory. The lead question could be as to whether the patient had read and understood the statements on the reverse of the PDQ-card. An additional question might contain the meat of the following: "Since the human body and mind are extremely complicated mechanisms, cures of which are never subject to guarantee, do you as a patient attach significant value, in the process of accepting treatment, to the maintenance of an unshatterable relationship of mutual confidence and trust between doctor and patient?" A final question might be along the line of "are you as a patient willing to do your full share in such an arrangement and to this end are you willing to agree to specifically and immeditaely bring first to the attention of the doctor treating you under any circumstances questions, observations, or complaints relating in any way to the applied health care?"

Consideration of this proposal probably brings to mind two questions, at least. One would have to do with the foundation for the discount. The other would have to do with the possibility that the PDQ-card technique would itself generate a horde of new claimants.

Adoption of the PDQ-card, or some improved equivalent, will, in my opinion, set the stage for much less defensive medicine. A cooperative patient, with confidence and a good attitude toward his doctor, can make a world of difference in the level of charge. Acceptance of the discount, by the patient, will in an important percentage of cases discourage adversarial action.

My feeling that adoption of this technique would not materially increase the number of potential or actual claimants is grounded on my belief that the doctor-patient relationship is already scraping rock bottom. There have always been, and always will be, a very sizable percentage of the total universe of patients who would not and will not sue their doctor except under the grossest conditions imaginable. But all patients are now reasonably knowledgeable about their legal rights and the vulnerable position the doctor occupies. The advancement of this idea is from the viewpoint that the ultimate result would not only be the better practice of medicine but also an actual reduction of alleged incidents of malpractice.

Should doctors flatly refuse to recognize the need for improvement in their relationship with patients, liability protection for doctors will almost inevitably move into the government sector.

These comments represent our own ideas and do not necessarily reflect agreed thinking with others. This malpractice situation has gotten far out of hand and cries out at this point for some kind of dramatic improvement.

Thanks indeed for your considerate attention.

O. C. GRIFFITH, *President,*
The Shelby Mutual Insurance Company of Shelby, Ohio.

YOUNG LEGISLATION TO PROTECT SOCIAL SECURITY RECIPIENTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Florida. Mr. Speaker, I have today introduced legislation to correct an inequity in the Social Security Act which now requires social security benefits to be returned to the Government for the month in which a recipient dies.

Under present law, for example, if a husband receiving social security should die on the 20th of March, the widow is now required to return the entire check for the month of March, rather than being able to keep the portion for the 19 days in which the husband was alive.

There is more than enough mourning, grief, and financial suffering among family members following the death of a relative without the Federal Government adding to it. My legislation will allow the widow, widower, or other beneficiary of a social security recipient to keep the pro rata share of a social security check for the portion of the month in which the recipient was alive. Contrary to present practice, the survivor will not have to send the entire check back to the Government under my bill.

It is clear that the provisions of existing law all too frequently place the family members of a social security beneficiary in very serious financial straits—although it is hard to see how those who must rely primarily on social security income could be much worse off than they already are in these economic times.

Mr. Speaker, I urge prompt enactment of my bill to allow prorated benefits to social security beneficiaries' survivors, in order to ease the lot of the families and dependents of the more than 200,000 social security recipients in my own home district of Pinellas County, and countless others throughout the United States.

A BILL TO EXTEND THE LIFE OF THE JOINT STATE-FEDERAL LAND USE PLANNING COMMISSION FOR ALASKA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Alaska (Mr. YOUNG) is recognized for 5 minutes.

Mr. YOUNG of Alaska. Mr. Speaker, today I am introducing a bill to extend the life of the Joint State-Federal Land Use Planning Commission for Alaska until June 31, 1979. This Commission, which was established by the Alaska Native Claims Settlement Act of 1971—ANSCA—has provided invaluable assistance to State and Federal officials, Members of Congress, Native corporations, and private landowners in the State of Alaska.

The Commission is charged with broad responsibilities in matters pertaining to the ownership, management and use of Alaskan lands. Its accomplishments to date are extensive; it would be impossible without spending a great deal of time to detail even the most significant of them. Included are extensive studies on Alaskan resources, the submission to the Secretary of the Interior of several options relating to land selections under section 17(d)(2) of ANSCA, detailed studies and recommendations concerning Native village eligibility under that act, identification of public easements, formulation of suggested rules to be applicable to various land selections, protection of mining claims, and numerous other reports, studies, and recommendations germane to the implementation of ANSCA.

In addition the Commission has published several important studies. The "Alaska Resources Inventory" incorporates in a 91-volume set the extensive data collected by the Commission in its study of Alaska land and resources. The Commission has published a widely distributed summary of this information, "Resources of Alaska, a Regional Summary," which has proved most useful to persons concerned with preparing legislation dealing with Alaskan land and with mineral and other resources within the State. A six-volume "Regional Profiles" study has been initiated in cooperation with the Governor of Alaska. Problems relating to the use of Alaska's valuable oil, gas, and other natural resources are being dealt with in great detail.

Congress has until December of 1978 to act upon recommendations respecting the classification and use of lands covered by ANSCA. Subsequently it will be necessary to detail regulations specific to these Alaskan lands. Many questions require further study. It is clear that the expertise of the Commission has become a valuable resource for everyone who deals with the problems involved in implementing ANSCA. Our task would be made immeasurably more difficult without the Commission's ongoing assistance. The objectivity and depth with which the Commission can deal with such varied problems as transportation, environmental control, and resource development is, perhaps, unique.

For these reasons I am asking that the Commission be authorized for an additional 2 years and 6 months. I hope that the committee will act favorably on this measure which could play such a large part in leading to the development of policies of rational use and preservation of Alaskan land and resources.

The text of the bill is as follows:

H.R. 4987

A bill to amend the Alaska Native Claims Settlement Act to continue the authority of the Joint Federal-State Land Use Planning Commission for Alaska until June 30, 1979

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 17(a)(10) of the Alaska Native Claims Settlement Act (85 Stat. 688) is amended by striking out "its final" in the first sentence thereof and substituting "a" and by striking out the last sentence thereof and substituting the following: "The Commission shall continue its activities and make such additional reports and recommendations as may be appropriate after May 30, 1976, but the Commission shall cease to exist effective June 31, 1979."

SAN ANTONIO—A CITY REDEEMED—V

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. GONZALEZ) is recognized for 15 minutes.

Mr. GONZALEZ. Mr. Speaker, San Antonio today faces the curious and painful prospect of deciding how it should stand on a request of the Lo-Vaca Gathering Co. for an increase in its rates. Right now, the company gets to pass through all its fuel costs, plus a 5 cent per thousand cubic foot fee. It is the only pipeline system in Texas that has an arrangement of this kind. It is also the only pipeline system that was so mismanaged by its administration to need such a special deal. And it is the only pipeline system in the State to have been placed under a protective management, with an independent court supervisor, having the task of straightening out the mess.

Lo-Vaca is not making money. It is losing money, at the present rate of about $6 million a year. But stock market touts think that 1974 is going to be the last losing year for Lo-Vaca, and that the company will henceforth be no financial drag on its parent company, Coastal States. They believe that the Railroad Commission will act to make Lo-Vaca a money maker, by increasing its "management" fee.

Coastal says that if the Railroad Commission will allow Lo-Vaca a 100-percent passthrough on fuel costs, plus a 10 cents per thousand cubic feet fee, the result will be a Lo-Vaca that would be attractive for somebody to buy. And, good old trustworthy Coastal says that they are willing to sell.

I believe that San Antonio needs to get a divorce from Coastal States gas. That means severing Lo-Vaca from Coastal once and for all.

One way of encouraging this divorce would be for the city to oppose any further rate increase for Lo-Vaca, unless that rate increase is made effective only upon the date the company is separated from Coastal. Further, if Lo-Vaca needs more financial help than it is getting today, I think that the Railroad Commission should make Coastal provide it. After all, Coastal is said to have earned a net income of $38 million in 1973, and is likely to make $51 million this year. Coastal's gas operations are not in terrible shape; they operated at only a 2-percent loss last year. On the other hand, Coastal makes a rich profit on its oil and refining operations, and it should not be too hard on the company to provide a little more support to Lo-Vaca, until that unfortunate stepchild can be found a better home. Coastal's profits are supposed to be up 30 percent or so for 1974. From that kitty, the Railroad Commission should be able to extract a little financial help for Lo-Vaca.

Coastal pleads poverty, but that is a little hard to believe, in light of the reports of Standard & Poor, which last November allowed as how Coastal's—

Earnings improvement indicated for 1974 should be extended in 1975, aided by larger refined product output, better chemical prics and rate increases benefitting the gas systems.

Standard & Poor are supposed to know what they are talking about. So the question is, does Coastal want a rate increase for Lo-Vaca in order to keep itself afloat, or to make Lo-Vaca a better bride for someone? Knowing Oscar Wyatt's track record for telling the truth, I suspect that neither one is true; chances are that Wyatt wants to keep Lo-Vaca, if the Railroad Commission makes the firm a moneymaker for him. And, it would be impossible for the company not to make money, if it gets the kind of rate that is being asked for.

The Railroad Commission staff has recommended a modest rate structure that would let Lo-Vaca net about 7½ percent profit—a nice amount, but not unconscionable.

But I think that the best bet for Lo-Vaca's customers is to insist on a completed divorce for Lo-Vaca before any kind of increase is given, and that the company be given financial relief from the handsomely lined Coastal treasury, until the divorce is completed.

And the terms of that divorce need to be set firmly. Lo-Vaca has been sadly misused, and is entitled to a nice settlement from Coastal.

For example, whether Lo-Vaca is sold or spun off, there should be an absolute guarantee that Oscar Wyatt is out of the company once and for all time.

Coastal should be made to provide Lo-Vaca with adequate gas reserves, so that the company will be left with sufficient properties to make it viable. Coastal should provide the company with some financial support; and Lo-Vaca ought to get a good part of its debts paid off by Coastal.

If the people in San Antonio are going to have a company they can believe in, it had better be one free from Coastal, and one that has a reasonable chance of doing well.

The Railroad Commission can help assure that this happens—by insisting that any rate increase be effective only after Lo-Vaca is independent, only if that independence results in a company of good quality, and only if it has sufficient resources to enable a recovery from Coastal's mismanagement. And in the meanwhile, Coastal should be made to provide additional financial help to Lo-Vaca. They have plenty of money on the balance sheets; they should also have a little laying around to help Lo-Vaca.

MATSUNAGA INTRODUCES BILL TO PERMIT RATIONAL ENVIRONMENTAL PROTECTION FOR COMMUNITIES WITH MUNICIPAL DISCHARGES INTO THE OCEAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Hawaii (Mr. MATSUNAGA) is recognized for 20 minutes.

Mr. MATSUNAGA. Mr. Speaker, I consider myself to have been one of the strongest supporters of the legislation which became Public Law 92–500, the Federal Water Pollution Control Act Amendments of 1972.

Among other things, this landmark legislation required that municipal waste treatment plants meet, by July 1, 1977, a minimum standard of secondary treatment. This is a necessary requirement in its application to the vast majority of municipalities.

As it sometimes happens, however, requiring secondary treatment in some cases makes no sense either environmentally or economically.

That is why I am introducing today legislation to permit the Administrator of the Environmental Protection Agency, on a case-by-case basis, to extend the 1977 deadline for municipal ocean discharges for a maximum of 5 years, if he determines that compliance is inappropriate, taking into account both relative costs and relative environmental effects.

Secondary treatment involves the elimination of biodegradable wastes, usually by the use of certain microorganisms. EPA definitions have included the addition of certain disinfecting chemicals in the process. With regard to secondary treatment of sewage discharges into the ocean, the situation has become increasingly confused during the last few years.

There is one clear case in Hawaii where secondary treatment for the effluent from the waste treatment plant makes no sense whatsoever; yet, under the present law provision for such treatment is required. The case involves a plant located on Sand Island in Honolulu, where the secondary treatment requirement would add about $9 million to the already staggering cost of the plant. For that money, Honolulu and the State of Hawaii with substantial assistance from the Federal Treasury—would be buying a system that produces an effluent less environmentally desirable than that achieved with only primary treatment.

If the micro-organisms, these oxygen-demanding pollutants known as BOD, were permitted to be pumped into the depths of the ocean through outfalls that carried them far from shore, sea life in that area would flourish by gaining much-needed nutrients. This has been predicted and confirmed by the Environmental Center at the University of Hawaii, the State Environmental Center at the University of Hawaii, the State Environmental Quality Control Center, and major local environmental groups. The Sand Island plant, however, must meet the 1977 deadline fixed by existing law.

If my amendment is adopted, Mr. Speaker, it will do more than give Honolulu an extra year or two in which to install secondary treatment facilities, although that may be its main effect elsewhere. The extension of time would permit Hawaii to demonstrate conclusively the major benefits to be derived from advanced primary, rather than secondary, treatment. This in turn may eventually lead to a modification of the requirement as applied to certain ocean discharges.

I do not propose such a modification at this time, because research on the subject may still be inadequate in relation to many of the different ocean environments around the country. Moreover, it is my strong conviction the 1977 deadline is a reasonable one for the overwhelming majority of cases, and I wish at all costs to avoid even the appearance of creating some sort of environmentally hazardous "loophole" in the law.

In the context of the entire Water Pollution Control Act my amendment deals with only a very minor aspect, but to the jurisdictions affected it would make this important law operate in a more rational manner. I trust that the House Public Works Committee, which has been following this issue very closely over the past months, will act favorably and expeditiously on my proposal.

I include at this point the text of my bill:

H.R. 4954

A bill to amend the Federal Water Pollution Control Act relating to the discharge of pollutants into ocean waters

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 301 of the Federal Water Pollution Control Act (33 U.S.C. 1311) is amended by adding at the end thereof the following new subsection:

"(g) (1) The Administrator may modify the time requirements of subsections (b) (1) (B) and (C) of this section for any publicly owned treatment works discharging into ocean waters upon application and proof satisfactory to the Administrator that compliance with such time requirements is inappropriate. In determining whether to grant a time modification, the Administrator shall consider the cost involved in achieving secondary and alternative treatment and the effects such secondary and alternative treatment will have on public health and water quality, including the effect on aquatic life, the propagation of fish, and recreation. No time modification granted by the Administrator under this subsection shall extend beyond July 1, 1982.

"(2) For purposes of this subsection, the term 'ocean waters' means the territorial Sea, the contiguous zone, or the ocean."

ESSLEY B. BURDINE, NATIONAL COMMANDER AMVETS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. BRINKLEY) is recognized for 30 minutes.

Mr. BRINKLEY. Mr. Speaker, I am glad that I serve in the Congress on the Veterans' Affairs Committee. During the 94th Congress there is much that needs our attention in this important area. There is much sentiment that needs to be translated into deeds when that special brand of American is considered. Of course, I speak of the men and women who have served in the Armed Forces of our country in time of need.

Yesterday it was my high honor and personal privilege to introduce Essley B. Burdine, National Commander, Amvets, to the committee for a statement highlighting the Amvets 1975 legislative program. Of particular significance to me was the part dealing with veterans' housing. As incoming subcommittee chairman on Housing, I pledge careful consideration of the points which were made.

The Amvet program began with a con-

gressional breakfast at which Secretary of the Army Callaway spoke. In attendance was Chairman Ray Roberts, Undersecretary of Agriculture Phil Campbell and many other Members of Congress. The audience was filled with friendly yet purposeful Amvets, their wives and youth organization officers who participated in the program.

During the Pledge of Allegiance, without faltering, the words, "One Nation Under God," were said without pause, as they are supposed to be said. Time was fleeting, and Commander Burdine himself gave the benediction in a manner which showed him to be no stranger to this becoming responsibility.

It reminded me of the evening before when I attended a large gathering of another veteran group and saw Commander Burdine very much in attendance. He is a builder.

Once President Lincoln was visited by a committee whose case consisted of a lot of "supposings." The President listened attentively and finally asked the question:

If you called the tail of a sheep a leg, how many legs would it have?

The committee answer, five. The President answered,

No, it would only have four. You don't change anything by calling it something else!

I tell this story to make a point about the national commander. He talks straight. He calls a spade a spade. He calls things by their real name. And he does not have to suppose. He is on a 1-year sabbatical from an active law practice and has traveled over 175,000 miles during his tenure of service.

Mr. Speaker, I ask permission at this point to include for the RECORD my introduction of Dr. Essley B. Burdine, who has the distinction of having had a brother, Dr. Winston Burdine, precede him in this national place of responsibility.

In addition, Mr. Speaker, I include the summary of the Amvet legislative program, which I submit herewith:

INTRODUCTION OF ESSLEY B. BURDINE, NATIONAL COMMANDER, AMVETS

If our speaker this morning were a member of the Congress, he would be eminently qualified to serve on the Committee on Veterans' Affairs, for he has been active in that field for nearly 30 years. Of course, he must realize that if he decided today to run for Congress, he would probably have 60 years of experience in veterans affairs before he actually became chairman!

But Essley B. Burdine has genuinely distinguished himself as a leader in veterans' activities. I am proud that he is a fellow Georgian, a fellow member of the legal profession, and one who shares my abiding concern for the welfare of that special group of Americans which our veterans comprise.

Essley was born in Pickens County, Georgia, October 13, 1922. He attended the University of Georgia prior to World War II, and as closely as I can tell, the only serious mistake he has ever made was transferring to Mercer University after the war. He received his Juris Doctor degree at Mercer in 1950.

During World War II, he served in the U.S. Army Signal Corps from December 27, 1942, to December 5, 1945, and has been active in AMVETS and other veterans' affairs since then, having risen through the ranks to become National Commander of AMVETS.

Essley is a member of the State Bar of Georgia, the Georgia Bar Association, the Atlanta Bar Association, and the Blue Ridge Bar Association. He has served as a Director on the Georgia Workmen's Compensation Board. Other affiliations include Eastern Star, the Atlanta Chamber of Commerce and the Old War Horse Lawyers' Club. He is also a Mason and a Shriner.

Essley and Doris have their home in Decatur, just outside Atlanta, and they have four children. They belong to the Methodist Church and are active members.

It is a genuine privilege for me to introduce and welcome Essley B. Burdine, National Commander of AMVETS and a leader in the field of veterans' affairs.

STATEMENT OF ESSLEY B. BURDINE, AMVETS NATIONAL COMMANDER

VETERANS ADMINISTRATION HOSPITAL SYSTEM AND MEDICAL PROGRAMS

AMVETS supports comprehensive review of all aspects of the Veterans' Administration's hospital and medical programs and appropriate Congressional action:

1. To provide separate evaluation and pay scale standards systems and incentives for retaining qualified professional medical personnel in the Veterans Administration's medical facilities.

2. To amend and broaden recently enacted malpractice protection legislation to cover all Veterans' Administration physicians performing medical duties in regional offices health care units, who are not covered by the language of the law as enacted, which covers only professional medical personnel employed by the V.A. Department of Medicine and Surgery.

3. To provide additional protective legislation to prevent the merger, transfer, phase-out, or take-over of any Veterans' Administration activities or facilities, without prior review and approval by this committee and the Congress and to insure the continuance of the Veterans' Administration as a distinct, separate, independent agency serving the Nation's veterans and their dependents.

VETERANS' ADMINISTRATION 1976 BUDGETARY CONSIDERATIONS

AMVETS opposes proposed budgetary fund and personnel reductions for fiscal year 1976, particularly for the Department of Veterans Benefits of a proposed cut of 595 positions in average annual employment totals. We urge Congress to provide the funds necessary to insure the full manpower necessary for the V.A. to effectively carry out its responsibilities and mission.

VETERANS' HOUSING

AMVETS urges full use by the Veterans' Administration of its existing direct loan authority for housing loans to Veterans, and to use, with proper safeguards, for loan guaranty purposes for such direct loans, insurance program trust funds. AMVETS supports any legislation which may be required to authorize the Veterans' Administration to use the insurance trust funds for this purpose.

AMVETS supports the objectives of H.R. 3312 to authorize the Veterans' Administration to provide certain veterans with service-connected disabilities which preclude their obtaining commercial insurance which will provide mortgage protection life insurance, with such insurance on a self-sustaining basis.

EDUCATIONAL BENEFITS

AMVETS requests the committee's consideration and action to:

1. Amend the recent law extending educational eligibility from 36 to 45 months, to eliminate the limitation to the attainment of a "standard college degree" and to permit pursuit of courses of study for the securing of Masters or Doctoral degrees.

2. For W.W. II Veterans who have never been able to use their educational G.I. entitlement, provide on a one time basis, a 12 month educational eligibility period, to allow them to pursue V.A. approved courses of retraining and education in skills presently pertinent to and needed by business and industry.

3. For Korean conflict veterans who have never been able to use their educational G.I. entitlement, to provide legislation which will permit them to claim on their Federal Income Tax return, a net tax credit, from the tax owed, which will make funds available to them to meet the rising costs for college education of their children, or in the alternative educational funds for their own retraining to acquire skills pertinent to today's job market.

VETERANS' EMPLOYMENT

AMVETS urges the committee to support legislation to:

1. Authorize the Veterans' Administration to pre-pay on a quarterly basis, compensation to those veterans presently on the compensation payment rolls, who are presently rated 10 and 20 percent for service-connected disabilities.

2. To support legislation to curb employment of illegal aliens, by requiring and authorizing employers, before hiring an employee, to secure from such employee, an affidavit that such person is a United States citizen or is in the country as a legal permanent alien resident.

3. To opposes the President's proposed 5 percent cost of living increase for Federal civilian and military employees formula limitation and the proposed freeze on cost of living increases for civilian and military retirees through mid 1976.

THE NATIONAL CEMETERY SYSTEM

AMVETS urges the committee to monitor the progress of the National Cemetery System to insure its early full establishment and to press for adequate funding essential to meeting the scheduled opening of the cemeteries planned for 1976 and following years.

VETERANS' PREFERENCE

AMVETS strongly supports continuation of all existing laws requiring consideration of veterans preference in all Federal employment. We vigorously oppose any measures which would reduce or destroy the need to observe the requirement of special status the law presently affords veterans in hiring, promotion and retention in career Civil Service Federal employment.

AMVETS urges congressional reconsideration and legislation to rescind the ill-advised provision added as a rider to P.L. 93-647, the Social Services Amendments of 1974, which for the first time in history, permits garnishment of Federal salaries, payments, or reimbursements of Federal civilian and military employees and retirees and social security payees, among others.

VETERANS' PENSIONS

AMVETS opposes any action to transfer, merge, or phase-out of the jurisdiction, responsibility or control of the Veterans' Administration for any of the veterans and dependents pension programs it now administers to any other agency or outside private or semi-private agency.

AMVETS supports development of legislation which will permanently prevent the recurring loss or reduction of pension by Veterans' Administration pension recipients as a result of periodic increases in social security benefit payments which they may also be receiving.

CABINET RANK FOR THE VETERANS' ADMINISTRATION ADMINISTRATOR

AMVETS continues to urge this committee to support by every appropriate means, the

elevation to full cabinet rank and status of the V.A. Administrator, as befitting the importance of the agency's mission, which is national in scope, and also because of the agency's size and the variety of its operations, and their direct impact upon the lives of the Nation's 29 million veterans and their dependents. The role of the Veterans' Administration is central and vital in its contribution to the Nation's social and economic stability and welfare. It should be represented in the highest councils of our country, the Cabinet.

THE 20TH CENTURY FUND REPORT, "THOSE WHO SERVED"

AMVETS vigorously opposes most of the conclusions and recommendations proposed in this task force report. We urge this committee give this report its most searching scrutiny and intensive independent investigation. We hope the full scope and dire implications of its recommendations upon the delivery of services "to care for him who shall have borne the battle and for his widow, and his orphan", will be carefully considered by the committee and that AMVETS will have an opportunity to present detailed refutation to the committee at an appropriate future time.

THE U.S. POSTAL SERVICE: THE MORE THINGS CHANGE, THE MORE THEY REMAIN THE SAME

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio, (Mr. VANIK) is recognized for 15 mniutes.

Mr. VANIK. Mr. Speaker, among the complaints which my office receives both in my Cleveland community and my Washington office, those relating to the decline of postal service exceed all others. For the past month, I have been endeavoring to assist dozens of families who live along a very busy State highway, Route 306, in Russell Township in my district who must dash across this highway in order to retrieve their daily mail.

This daily dash with death is necessitated because the U.S. Postal Service, through its regional postmaster in Chicago, and high authorities in Washington, continue to reiterate their insensitive policy which precludes allowing postal boxes on both sides of a highway such as the one in question. Instead, patrons must risk their lives to perform the simple task of retrieval of their daily mail by dashing across such highways 6 days a week, week in and week out. Last year over 60 mail boxes were mowed down by heavy automobile traffic in this area.

This postal problem could be resolved by permitting mail boxes on each side of the road. There is no statute which directs their location on one side of the highway. Urban area residents get mail service at their front door. There is no basis for compelling some citizens to risk their lives in order to receive their mail.

The Postal Service is very rapidly becoming the enemy of the people in its callous disregard of the public and the consumer interest. If the Postal Corporation persists in this course of action it will exceed the tolerance of the American people for a monopoly of indifference and poor service.

I wish to insert the text of the petition which was sent to the Postal Service in Cleveland in addition to the comprehensive traffic study completed by the dozens of families who suffer daily from the hazards of collecting their mail. In addition, I have included, for the RECORD, the reply from the Cleveland Postmaster which states the policy by which no changes in placement of postal boxes are to be allowed. I am sending this whole case file to the Committee on Post Office and Civil Service in the House and will ask to testify in person when hearings begin on problems of postal service. The letter to Chairman HENDERSON is also included for the RECORD.

I wish to thank and commend Mrs. Mary Elizabeth Hansen and her neighbors for pursuing this vital problem and pledge my continued support in their effort.

The inserts referred to above are as follows:

NOVELTY, OHIO, *January 28, 1975.*

Hon. CHARLES A. VANIK,
House Office Building,
Washington, D.C.

DEAR SIR: Enclosed is a copy of a petition and fact sheet which we have sent to the Main Office of the United States Postal Service in Cleveland, Ohio.

We thought you would be interested to see what this small group of your constituents are attempting to accomplish. Any service which you could render in our cause would be greatly appreciated.

We look forward to your speedy reply.

Sincerely,

MARY ELIZABETH HANSEN.

NOVELTY, OHIO, *January 28, 1975.*

Mr. ALBERT ZOLOTY,
Delivery Services,
Main Post Office,
Cleveland, Ohio

DEAR SIR: We are residents of the western section of Geauga County and we feel our identity has been lost in the vastness of the United States Postal System. We are in dire need of your assistance; please help us.

Our problem is one of safety. We live on State Route 306 and are served by the Novelty Post Office. On our small section (1.2 miles) of 306, both east and west side residents' mail boxes are placed on the west side of the road. Residents of the east side of the road must be Olympic Sprint Stars to retrieve their mail. The problem is compounded by a small hill, over which it is impossible to see approaching vehicles until they have crested the hill. Each of us can tell our own personal horror stories of being trapped by oncoming traffic.

We who must cross this busy highway six or more times each week to get our mail, risk our lives each time we do so. We pay our taxes and postal fees to support our share of postal service and are in effect told that our lives are not as important as our money.

From forty-five east side residents contacted, we received forty-three signatures, which is a 95.6% consensus that the current mail box placement needs to be changed. The other twenty signatures are west side residents who are concerned enough for their neighbors' safety to sign a petition to that effect.

What happens to our inalienable right to life, liberty, and the pursuit of happiness on the tragic day there is a funeral service caused in part by the postal service?

We would appreciate your careful consideration of our fact sheet. Before someone is killed or mained for life, please make this small change we request.

Very truly yours,

MARY ELIZABETH HANSEN.

FACTSHEET CONCERNING CURRENT MAIL BOX PLACEMENT AND DANGER TO PERSONS USING SAID MAIL BOXES

1. The latest Ohio Department of Transportation Density Study shows that in 1971 an average 5,890 vehicles traveled Route 306 between Music Street and State Route 87 in a twenty-four hour period. Using the department's statistics and their method of projecting yearly traffic increases at five per cent per year, an estimated 7,000 plus vehicles would travel said section of Route 306 in 1974 and 1975, in a twenty-four hour period.

2. Russell Township Police accident reports show an average of five vehicular accidents per month for the first three months of 1974 along 306 through Russell Township. Frequently a mail box is grazed or knocked over in these accidents.

3. All rural delivery boxes on said section of 306 are currently placed on the west side of the road between the outside edge of the berm and the drainage ditch. East side residents must cross this busy road, stand within three fleet of the edge of the south bound lane, both to use their mail boxes and to wait for traffic to clear to cross the road again to get home. West side residents can lessen danger by retreating quickly down their private driveways. East side residents must possess the agility to jump over a three or four foot drainage ditch into a neighbor's yard or field to escape an out-of-control moving vehicle.

4. Getting one's mail is often a terrifying experience for a normal, healthy adult. There are elderly, children, and physically handicapped people who must use these mail boxes too. They cannot run nor jump to safety.

Again we ask you to permit mail delivery on *both* sides of this short (1.2 miles) but busy section of State Route 306. Other residents on this road to the north and to the south of us have delivery on both sides. The residents on the west side of the road would maintain their present boxes. The residents on the east side of the road would move their boxes to the east side near their private driveways. This would minimize the time a person would have to spend at roadside and thus reduce the danger to pedestrians and drivers.

A well marked mail delivery car, with a large postal delivery sign and flashing yellow lights, proceeding on its route at non-peak traffic times would afford the mail carrier a warning device, identification, and protection not afforded a resident who must stand unmarked and unprotected in busy traffic.

We, the undersigned, hereby petition and request that rural mail delivery be made to both the east and west sides of State Route 306 between the intersections of Music Street and State Route 87 in Russell Township, Novelty Post Office, Geauga County, State of Ohio.

A real and present danger exists to all residents who must cross this busy thoroughfare to post or to receive mail.

Please see the attached fact sheet which outlines specific dangers.

U.S. POSTAL SERVICE,
Cleveland, Ohio, February 27, 1975.

CHARLES A. VANIK,
U.S. Court House,
Cleveland, Ohio

DEAR CONGRESSMAN VANIK: This is in reply to your letter of February 7, 1975 regarding Mrs. Mary E. Hansen's request for the possible transfer of some rural mail boxes presently on the West side of Route 306.

Attached is a copy of our letter of explanation to Mrs. Hansen.

I hope the explanation clarifies our position to Mrs. Hansen.

Sincerely,

EARL R. CLARK,
Postmaster/District Manager.

FEBRUARY 26, 1975.

Mrs. MARY E. HANSEN,
15245 Chillicothe Road,
Novelty, Ohio

DEAR MRS. HANSEN: Your request concerning the possible transfer of some rural mail boxes presently located on the West side of Route 306 to the East side of the road has received careful consideration.

Our policy requires that delivery be restricted to one side of the road, and that *retraces* by carriers are to be avoided, with the exception of itineraries which necessitate *retrace* by carriers to reach another section of their routes.

Instances where rural carriers are servicing both sides of the road are coincidental to the route itinerary being followed.

The safety hazards that you mention in your letter are common to many roads being serviced by rural delivery and the conversion you suggest cannot be solely contingent on this one facet.

Sincerely,

EARL R. CLARK,
District Manager.

MARCH 14, 1975.

Hon. DAVID HENDERSON,
Chairman, Post Office and Civil Service Committee, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I am enclosing the complete case file relating to severe problems dozens of my constituents have been having in my Congressional District relative to having Postal Service allow them to move their postal boxes to their own side of a very busy, narrow, State road. There appears to be no basis in statute for this Postal Service policy.

As you can see from this record, each of these postal patrons must literally risk their lives crossing to the West side of the road to retrieve their mail. I have also enclosed the response from the local Postmaster which states clearly that the Post Office policy which precludes their postal boxes from being moved to the other side of the road. Precious little attention is paid, as you can see, to the question of personal safety of the postal patron. This policy was reinforced to my office today, by the Regional Postmaster, Mr. Clarence Gels, in Chicago.

It is my sincere hope that you will make this terrible record of non-feasance by the Post Office a part of the record of any hearings which you contemplate in the near future. In addition, I would like to be notified of such hearings, so that I may testify in problem among many others relating to the decline in postal service in my District and the nation.

Sincerely yours,

CHARLES A. VANIK,
Member of Congress.

LET US COMPEL PUBLICATION OF TRANSCRIPTS OF FED'S OPEN MARKET COMMITTEE ON THE DAY OF THE MEETING, THEREBY STOPPING SECRECY IN FED AND PREVENT CONDITIONS LIKE WE ENDURED IN THE EARLY THIRTIES BECAUSE OF ANDREW MELLON AND THAT WE ARE IN TODAY BECAUSE OF DR. ARTHUR BURNS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, while there are many matters upon which this House divides, I would like to think that there is not one Member present who does not agree with me that this Congress is entitled to receive from the Board of Governors of the Federal Reserve System uncensored transcripts of the meetings of its Open Market Committee on the day the committee meets. What that committee does, or does not do, brings this country good or hard times.

At the present time we receive an enigmatic summary 90 days after the committee meets—not even Dr. Einstein could understand that summary. At the end of 5 years we receive a censored transcript. Sometime this year we will receive the 1970 transcript.

Certainly, you can all agree with me that this is wrong as to the meetings of the Open Market Committee from 1970 through 1974. Dr. Arthur F. Burns became Chairman of the Fed in 1970. There is agreement by everyone that in the 1971–73 period the Open Market Committee, under Dr. Burns' direction, increased the money supply when the economic indicators said the economy should be held steady.

This is not a personal prejudice of mine. Economists from Friedman to Samuelson, newspapers from the New York Times to the Wall Street Journal, magazines from Fortune to Playboy, all say this is true. Moreover, Sanford Rose, writing in the July 1974 issue of Fortune specifically charges that Dr. Arthur F. Burns forced the inflationary policy on a reluctant Open Market Committee by threatening to bring the White House down upon them.

Let us not forget that former President Nixon believes that a downturn in the economy cost him the election of 1960. Burns warned Nixon in March 1960 that an "economic dip" was just around the corner and would reach its lowest point in October, just before the election. He advises that two steps be taken immediately to head off the slump—a loosening of credit, and increased spending for national security.

At Nixon's insistence, Eisenhower referred the matter to his Cabinet, and the Federal Reserve, both of which declined to act on Burns' recommendation. In "Six Crises" Nixon says:

> Unfortunately, Arthur Burns turned out to be a good prophet. The bottom of the 1960 dip did come in October and the economy started to move up again in November—after it was too late to affect the election returns. In October, usually a month of rising employment, the jobless rolls increased by 452,000. All the speeches, television broadcasts, and precinct work could not counteract that one hard fact.

Thereafter, the economy was No. 1 on Nixon's "enemies list," Sherman J. Maisel, a member of the Federal Reserve Board from 1965–1972, states in his recent book, "Managing the Dollar," that the Director of the Office of Management and Budget, George Shultz, informed the Board in 1971 that—

> If an election were to be won the Federal Reserve would have to increase the money supply at far more than the 4.2 percent average of 1969–70.

Granted that Mr. Dooley is right and that there are lies, damn lies, and then statistics, still it is very interesting to compare the discount rate, the prime rate, and the growth of the money supply under Dr. Burns with previous Chairmen:

Year	Money supply percent change	Federal discount rate		Prime		Federal funds rate	
		Low	High	Low	High	Low	High
1959	1.6	2½	4	4½	5	(1)	
1960	.6	3	4	4½	4½		
1961	3.1	3	3	4½	4½		
1962	1.5	3	3	4½	4½	2.68	2.68
1963	3.7	3	3½	4½	4½	3.38	3.38
1964	4.6	3½	4	4½	4½	3.42	4.00
1965	4.6	4	4½	5	5	3.57	4.63
1966	2.4	4½	4½	5½	6	3.86	5.96
1967	6.6	4	4½	5½	6	3.50	5.39
1968	7.9	4½	5½	6	6¾	4.54	6.25
1969	3.5	5½	6	7	8½	5.95	9.68
1970	6.1	5½	6	6¾	8	4.84	9.39
1971	6.3	4½	5½	5¼	6	3.59	5.73
1972	8.7	4½	4½	4½	6	3.18	5.38
1973	6.1	5	7½	6	10	5.61	10.84
1974	4.7	7¾	8	8½	12¼	8.45	13.55

1 Federal funds rate was not available prior to 1962. Years 1970 to 1974 denote Dr. Burns chairmanship.

Exactly what do these dry statistics show? In 1972 when Nixon was running for President the Fed held the discount rate to 4½ percent, the prime rate to under 6 percent, increasing the money supply to 8.7 percent. After election it raised the discount rate to 8, the prime rate to 12¼, and decreased the growth of the money supply to 4.7 percent.

You can judge how much this upset our economy by the changes in the prime rate. From 1929 to 1969 there were 38 changes, never more than five changes in a single year. With Dr. Burns at the helm from 1971 to 1974 there were 151 changes, over 37 a year, and in 1974—61.

Is it any wonder that on November 25, 1974 the Wall Street Journal was forced to say editorially:

> The money supply . . . grew far too rapidly in 1971–1973. In blunt words the erosion of bank capital ratios was fundamentally caused by the inflational policies pursued by Chairman Burns.

While it is unreasonable to expect that the Fed will never make mistakes, it is not unreasonable to require that its mistakes be based on poor business—not poor political—judgment. It was never intended that the Fed play "step-and-fetch it" for an incumbent Presidential candidate, and Congress should not tol-

erate a situation in which it cannot satisfy itself that this has not occurred.

As I recently stated in the February issue of the American Bar Association Journal, a copy of which I include in the RECORD, Dr. Arthur F. Burns has used his position as Chairman of the Board of Governors of the Federal Reserve System to flood the country with money to elect Richard Nixon. This was a dishonest thing to do when the economic indicators indicated he should have left the economy alone.

Worse, the election over, he caused the Open Market Committee to put the brakes on the economy too sharply, allowing unemployment to increase—liquidating the real estate industry—emptying the savings banks, taxing the little fellow, and transforming recession into depression.

Under these circumstances, do you not agree that the Congress is entitled to see uncensored transcripts of the Open Market Committee meetings the day the committee meets?

Keeping the transcripts of this critical 1971–73 period from the people amounts to a coverup comparable with Watergate. We need to see an uncensored transcript of what was said by the Open Market Committee members.

Lest you have reservations about our rights to receive daily transcripts, let me remind you that another election is coming in 1976. Is there any reason to suppose that Dr. Burns will not act then at the Open Market Committee meetings as he wanted to in 1960, and as he did in 1972?

As you all know since I was elected to this House in 1928, I have been a voice crying in the wilderness for the accountability of the Federal Reserve System to both the President and the Congress.

As all economists will tell you, it was not the stock market, but the stupid refusal of the Federal Reserve System under Andrew Mellon to increase the money supply that brought on the depression of 1929–33. Here we are again in 1975 with an unnecessary depression facing us because of the bad policies of the Board of Governors of the Federal Reserve System under Dr. Arthur F. Burns.

The time has come to bring Dr. Burns and his Board to book. At least, let us require disclosure to the Congress and the people of the proceedings of the Open Market Committee on the day the Committee meets.

Former Board member Maisel tells us that the proceedings of the Open Market Committee are kept secret out of "fear of political attack and public criticism." As he says, this is fundamentally wrong, because the more you publish about monetary policy at the time you make it, the better that policy is likely to be.

Moreover, the doings of the Open Market Committee are well known to those who have the most to gain—the bankers. It is only the Congress and the people who are kept in ignorance.

Let us compel publication of uncensored transcripts of the Open Market Committee on the day of the meeting so that our country will never again be in the situation we were in during the thirties because of Andrew Mellon, and the condition we are in today because of Dr. Burns.

[From the American Bar Association Journal, February 1975]

WHAT'S WRONG WITH THE FEDERAL RESERVE AND WHAT TO DO ABOUT IT

(By WRIGHT PATMAN)

(Note.—The Federal Reserve System got off on the wrong track when private banks were permitted to own stock in the district Fed banks, letting the tail wag the dog. Now the Fed's Open Market Committee has control of the banking system but operates in secrecy, while the Fed itself operates cavalierly, even with private auditors. It's time to curb the abuses of the Fed and reform the system.)

As Chief Justice Charles Evans Hughes so well said, the Constitution means what the Supreme Court of the United States says it means. In our economy, how we fare depends crucially on what the Open Market Committee of the Federal Reserve System says. We have as much or as little money to spend as that committee dictates. Banks have an abundance or scarcity of reserves to lend depending on what it decides. The committee determines the volume of bank reserves and the nation's money supply, primarily by instructing the New York Federal Reserve Bank to buy or sell securities in the open market. When the New York bank buys, it adds to reserves and increases the money supply. When it sells, reserves and money supply fall.

The Federal Reserve also affects how much money banks can lend by fixing reserve requirements, specifying what fraction of deposits banks must keep in reserve. Lowering the requirement increases reserves available for loans. Raising it decreases availability of reserves.

In the exercise of these awesome powers the Fed has made serious mistakes, and the time has come for basic changes.

In 1912 a commission, headed by Nelson Rockefeller's maternal grandfather, Sen. Nelson Aldrich of Rhode Island, proposed a central bank controlled by the private banks, but Woodrow Wilson would have none of it. Putting on his best frock coat and breaking precedent by appearing in person before a joint session of Congress, President Wilson, along with Carter Glass and Robert L. Owen, then chairmen of the House and Senate banking committees, proposed a presidentially appointed Federal Reserve Board. Under this board there were to be independent regional banks, but bank lobbying forced him to compromise and allow private banks to hold the stock of the twelve district banks in the Federal Reserve System and to elect six of the nine directors of each.

To this day these bank-elected directors select the executive heads of each Federal Reserve district bank formerly called "governors" but since 1935 "presidents," the title "governors" being reserved today for members of the Federal Reserve Board.

Although board members receive $40,000 and the chairman $42,500, these banker directors, without consulting with the president or the Congress, pay the president of the New York bank $90,000, Chicago $76,000, San Francisco $75,000, Kansas City $65,000, Saint Louis $64,000, Boston $60,250, Atlanta $60,000, Dallas $59,000, Cleveland $58,650, Minneapolis $56,500, Philadelphia $55,000, and Richmond $50,000. Paying these district bankers at the bottom of the system more than board members at the top has made board membership less attractive and, worse, robbed it of prestige.

Believing that the open market operations were for "bankers," not "politicians," Benjamin Strong, then "governor" of the New York bank, created the Open Market Committee in 1915 exclusively from the then district governors and persuaded them to allow the New York bank to buy and sell for all the banks. This ended Woodrow Wilson's dream of twelve independent regional banks. Ever since, the New York bankers have dominated Federal Reserve policy—a case of the tail wagging the dog.

Marriner S. Eccles, chairman of the Fed from 1934 to 1948 and himself a banker, blames Federal Reserve inaction during the depression in 1929–32 on "a narrow banking rather than a broad social point of view."

By statute in 1935, President Roosevelt and Eccles were able to put the seven board members on the Open Market Committee and compel it to meet in Washington, but they had to make the New York bank a permanent voting member, allow the presidents of all twelve banks to attend, and give them five votes.

In his recent book, *Managing the Dollar*, Sherman J. Maisel, professor of business administration at the University of California at Berkeley and a former board member, states that these district bank presidents, "twice removed from the democratic process" are "not strictly government officials." While they know bank operations, they are not qualified to pass on monetary policy, increase the size of committee meetings by twelve, delay board action for their arrival, or postpone it because of an early departure.

CONFLICT OF INTEREST OUTWEIGHS VALUE

Professor Maisel says that giving area member banks a stock interest in Federal Reserve district banks "makes no sense" and is "a vestigial and sentimental remnant of the system's beginning." In his opinion, whatever value the bank presidents have on the Open Market Committee is "more than outweighed by their conflict of interest." Because district bank presidents depend for the jobs and salaries on the commercial bankers of their areas, their presence on the committee violates the spirit, if not the letter, of 18 U.S.C. § 208. As Chief Justice Warren said so eloquently in the Dixon-Yates case, *United States* v. *Mississippi Valley Generating Company*, 364 U.S. 520 (1961), a conflict of interest arises "by the logic of circumstances" when a person must serve two masters.

The time has come to redeem the stock area banks own in the Federal Reserve district banks and allow the Federal Reserve Board, appointed by the president of the United States with the advice and consent of the Senate, to manage the nation's money.

While the Federal Reserve promptly announces changes in the discount rate and reserve requirements, it keeps secret the discussions as to why the Open Market Committee makes or does not make monetary changes and the orders it issues to sell or buy to the manager of the Federal Reserve's securities portfolio, who is an employee of the New York Reserve Bank.

Ninety days after a meeting the Fed publishes an enigmatic summary of its instructions, and five years later the minutes. Both come at a time when they are not much good to anybody. It is just now publishing the 1969 minutes. What we need is immediate release of the instructions and a transcript of the discussions telling us the reasons for and against the policy instruction.

In short, the procedure is all wrong. Bankers and bond dealers who have the most to gain find out from analysis of the buy and sell orders. It is only the public and the Congress who are kept in the dark.

Federal Reserve officials know that secrecy serves insiders. Governor Sheehan told Robert Weintraub, staff economist of the House Banking and Currency Committee, that "It's very difficult to find out really what the Fed is doing if you're not on the inside."

President Mayo of the Chicago district bank put it this way:

". . . the market indeed does have a fairly full understanding as to what the factors are in monetary policy that are going to lead to specific steps by the Federal Reserve. This happens to be a product, in part, of the fact that many of these people who are in the market, and in the position of making markets, have at one time either worked in the Treasury or in the Federal Reserve. Indeed, there is also cross-fertilization the other way. So it is no great secret as to how you interpret what the Fed is doing and indeed is trying to do. A number of the leading writers in New York—the Lehman Letter, Lanston's Letter and so forth—are written by former Treasury, former Federal Reserve people, and they're very good in interpreting these things."

Professor Maisel states that the Fed pursues a policy of secrecy from "fear of political attack and public criticism." It is fundamentally wrong, he adds, because the more you publish about monetary policy at the time you make it, the better that policy is likely to be.

Over the years the Federal Reserve Open Market Committee has been buying United States bonds with currency it asks the Bureau of Engraving and Printing to print. It now holds more than $82 billions' worth of these bonds. It collects the interest, deducts its expenses, and gives the balance to the Treasury.

Down to the first Eisenhower administration these purchases only totaled about $26 billion, but purchases between December 31, 1952, and August 7, 1974, came to $56,481,660,000. During the chairmanship of Arthur F. Burns and from January 1, 1970, to August 7, 1974, the Open Market Committee bought $24,620,660,000.

The real vice is that as a result of its ownership of government bonds the Fed can spend as much as it pleases. If these bonds were cancelled, as they should be, it would have to bring its budget to the president and the Congress as every other agency does.

From the little information available to the congressional banking committees, I have come to believe that the Federal Reserve annually spends hundreds of thousands of dollars in a questionable way. This is one of the reasons why the House Banking and Currency Committee voted during the Ninety-third Congress when I was chairman of the committee to subject the Federal Reserve System to a limited audit by the comptroller general and the General Accounting Office.

Whether the purchase is table tennis balls for the Dallas district bank or an annex to its building in Washington, the Fed spends lavishly. Washington's new Mormon Temple cost $15 million, but the William McChesney Martin Building for six hundred employees not only wastes thousands of square feet but to date has cost more than $46 million. Compare its cost with the Dirksen and Rayburn buildings, which thousands use:

	Square foot	*Cubic foot*
Martin	$57.67	$4.52
Dirksen	36.06	2.52
Rayburn	36.56	2.45

What Federal Reserve did was to build, at taxpayers' expense, a marble monument to a former chairman who does not deserve the honor.

With this kind of extravagance you can appreciate why the Fed hires Touche Ross and Company as its private auditor and opposes an audit by the General Accounting Office. Yet, the need for audit is there. The board itself spends more than $25 million a year, the twelve regional banks more than $400 million, and Professor Maisel says open market foreign exchange transactions go into billions and sometimes result in large losses. The comptroller general audits much more sensitive matters at the Atomic Energy Commission and the Department of Defense, but no one has suggested that either of these should use a private auditor.

NONPOLITICAL FED MANIPULATES POWER

The ultimate irony is that the alleged nonpolitical Fed is one of the most astute manipulators of political power in Washington. Nowhere was this more evident than during the debate on the audit bill. Although Dr. Burns personally lobbied against it among members of Congress and Manhattan bankers, the House of Representatives approved the bill by a vote of 290 to 58. But the Senate, sad to say, did not act on the bill.

The American people cannot afford to allow an agency so important to our economy to operate in the dark as it pleases. The time has come to allow the comptroller general to audit all Federal Reserve operations.

In 1933, when the banks closed, we attributed their troubles primarily to their having security affiliates that were selling stock. When the financial history of recent times is written, the ills that now afflict banks will be attributed in no small measure to our allowing banks to be owned by holding companies.

The late Winthrop Aldrich wrote to me in 1969 that he was "horrified" that banks were becoming "conglomerates" and holding "completely unrelated" businesses. He saw it as a return to the evils of 1933. Then the only danger was that banking affiliates did not sell securities they bought; today the banks hold entire big businesses, many abroad, all requiring high-priced, competent personnel and millions in capital.

As in the 1920s, the banks today have become too deeply involved in businesses other than commercial banking. Worse, particularly overseas, they are making speculative long-term loans that only investment bankers should make.

In October of 1974 at the convention of the American Bankers Association in Hawaii, Dr. Burns pointed out that the Federal Reserve System "regulates all bank holding companies." What he does not say is that though this is the way the legislation reads, there has been no regulation of any consequence. Until recently the Fed has approved routinely the creation of bank holding companies and their applications for mergers or acquisitions. Lately a few have been disapproved. There has been no regulation worthy of the name.

The problems with bank holding companies are many and serious.

Theoretically, a bank holding company is a separate corporation, and the holding company's failure should not affect the bank. But, alas, for theory. When the holding company fails, as was the case with the Beverely Hills National Bank, there is a run on the bank that ends with its sale. This is for good reason. The management is the same, so that a lack of confidence in the holding company causes a lack of confidence in the bank.

Some owe as much as twenty dollars debt for every dollar of capital. This is not all ordinary debt but commercial paper running into millions of dollars, sometimes with an average maturity of thirty days. The best holding company is in serious trouble the day it cannot roll over this debt.

There is also a great temptation for bank holding companies to go into the banking business by buying from their banks high interest loans, many of which are made abroad in countries as unstable and militaristic as Peru. Likewise, when they need to borrow money, there is a temptation for bank holding companies to sell their commercial paper to a bank owned by another bank holding company.

The difficulty is that the bank holding company is not a bank, and there are few restrictions on what it can borrow or lend and to whom. It does banking business without regulations or safeguards. Take a decision as to payment of dividends. While a bank holding company needs dividends from its banks to show a profit, it is sometimes cheaper to leave the dividends with the bank to loan out at high interest even though it obliges the bank holding company to borrow to pay its own dividends. The legality of that is open to question, but the Fed has not forbidden bank holding companies from paying dividends when not earned. It has simply done nothing about their regulation.

The tendency of bank holding companies is to think of themselves as corporate conglomerates, which they are not. And it is dangerous and misleading to consolidate the bank's balance sheet with that of the holding company. Worse, the directors, officers, attorneys, and accountants who act for both the holding company and the bank usually are the same. Yet there is a fundamental conflict of interest between the two that makes every transaction between them suspect. Because banks hold and invest other people's monies, their officers, directors, attorneys, and accountants should be independent.

RETURN COMMERCIAL BANKS TO COMMERCIAL BANKING

When Congress passed legislation regulating bank holding companies, these serious problems were not brought to its attention. Perhaps the time has come again to limit all commercial banking institutions, regardless of corporate form, to traditional commercial banking services. The truth is that we have not thought these problems through. In any event, the time has come to return commercial banks to banking and divorce them completely from holding companies.

Unfortunately, this is not simply a holding company problem. As Dr. Burns told the bankers in Hawaii, "some carelessness" has "also crept into our banking system." The good doctor is a master of understatement. Presumably he had in mind "the two largest bank failures in the nation's history"—the United States National at San Diego and the Franklin National in New York.

What is most disturbing in the failure of the United States National is that the Federal Deposit Insurance Corporation in an action against bank directors charges that more than $400 million of loans were made in contravention of sound, safe, and prudent banking practices; that loan officers were not supervised; that the records were inaccurate; and that the directors had no audit committee and illegally distributed dividends when there were no profits.

In an attempt to save Franklin, it now appears the Fed advanced $1,750 billion of the peoples' monies at 8 per cent interest against collateral of doubtful value. Some creditors of Franklin were paid who would not have been otherwise; for instance, banks which had advanced federal funds to Franklin in amounts upwards of $500 million, and some six thousand of its six hundred and twenty thousand depositors whose deposits were not insured by the Federal Deposit Insurance Corporation.

By what right, without consultation with the president and the Congress, do Dr. Burns and the Fed secretly dispense $1,750 billion of the people's money?

In sharp contrast, when in June of 1974 the largest private bank in Germany, Bankhaus I.D. Herstatt, of Cologne, has foreign exchange losses and failed, the West Germans let it happen, causing the *Wall Street Journal* to remark editorially:

"The Bundesbank . . . believes that the public will have confidence in banks when banking is sound, and that banking diverges from "soundness" when those who run banks know there is a net under them. . . . The banking community here and abroad would now be in a more promising condition if the Fed had followed the lead of those West German Socialists. The Franklin National

Bank should have been permitted to sink, victim of its excesses in "unauthorized currency trading." Its loan portfolio would have been peddled and its depositors paid off, and if there were anything left over, the shareholders would have divided that up."

The very morning this editorial appeared (August 8, 1974), Dr. Burns was testifying before the House Banking and Currency Committee, and in response to a question regarding the editorial from Rep. John H. Rousselot of California, said:

"In the case of Herstatt, the Germans had an insolvent bank; in the case of Franklin National, we had a solvent bank faced with a serious liquidity problem. That distinction is not made by the *Wall Street Journal* in its *editorial*. It is a very basic distinction."

Dr. Burns was mistaken. The comptroller of the currency, on whom he relied, also was mistaken. When the Fed, acting in secret on its own, decides to advance $1,750 billion, is it too much to ask that it be sure that the bank is solvent?

The Federal Reserve Board, led by Dr. Burns, once acted on its own to bail out banks that held Penn Central commercial paper. Now the newspapers tell us that the Fed is pressuring hundreds of banks to pick up a $600 million debt of W. T. Grant Company and a $130 million debt of Pan Am—acting again in secret without consultation with the president or the Congress.

As *Barron's* said editorially on December 9, this is "easy to credit" because "of the Fed's unbridled interventionism" but there are "issues of principle involved" because by "becoming Grant's partner" the banks "are diverting scarce credit from worthier borrowers." The editor, Robert M. Bleiberg, found it "extravagant" to claim that W. T. Grant Company as a going concern "is vital to the nation's commerce and the national interest."

While *Barron's* doesn't want to see Grant's flashy skyscraper at One Astor Place in Manhattan "turn into Grant's Tomb," it suggests that "a lasting monument to failure" there "would be worse." Its point is that, "Keeping Grant open may force competitors which are more efficient—but less visible, hence with less political or financial clout—to shut their doors." Mr. Bleiberg adds that this is "no way to run a candy store, let alone a country." I could not agree more.

There is more at stake here than meets the eye. It is an assertion of a right of complete independence from political accountability by Dr. Burns and the Fed to use the people's money in any way they see fit. It is arrogance we must not tolerate. No one man or institution should have this unbridled power. The people did not elect Dr. Burns, and he is not our king.

It is clear that Dr. Burns did not exaggerate when he told the bankers in Hawaii that "some carelessness" has "crept into our banking system." As he points out, the comptroller has jurisdiction over national banks and the F.D.I.C. over state-chartered banks that are not members of Federal Reserve. This leaves the Fed with jurisdiction over state-chartered member banks, holding companies, and so-called federally chartered Edge Act corporations that are supposed to do only an international business.

Dr. Burns sees these "overlapping regulatory powers" as "a jurisdictional tangle that boggles the mind" and fosters a "competition in laxity," allowing bankers to play one agency off against another.

I am sure that Dr. Burns wants to centralize all banking powers in the Fed. This he must not be allowed to do. As the *Wall Street Journal* said editorially last November 25: "If regulatory authority is centralized, it had better be centralized somewhere else than in the Fed. Combining the money creation power with regulatory authority creates a conflict of interest."

Granted something must be done, my suggestion of long standing is the creation of a single National Banking Commission combining existing regulatory authority over all banking institutions in one agency. Then, at least, we will have one agency in charge of examination of banks, Edge Act corporations, and holding companies. A single agency will be more competent than the comptroller, the Fed, and the F.D.I.C. have been in the United States National and Franklin bank failures. It could not do worse.

In Honolulu Dr. Burns said that during the last three years "the assets of foreign branches and subsidiaries of American banks nearly tripled, reaching $117 billion" and accounting "for more than one fifth of the growth in total assets of the U.S. commercial banking system." We also know that in 1973 the American banks listed below received the following percentages of their operating income from abroad:

Bankers Trust Company (New York)	80.0
First National City Bank (New York)	61.0
Bank of America (San Francisco)	56.5
Chase Manhattan Bank, N.A. (New York)	43.0
Morgan Guaranty Trust (New York)	32.0
First National Bank of Chicago	21.0
Continental Illinois (Chicago)	18.0

We also know from former Governor Maisel that while he devoted 20 percent of his time to international matters, neither Chairman Martin nor Chairman Burns brought important international matters to the board for resolution, although these chairmen were more in accord with administration policy than the board. This is a serious indictment, because Professor Maisel says that in August, 1971, the Federal Reserve System "was in debt for $3 billion" on foreign currency "swaps" and lost close to $400 million.

EDGE ACT CIRCUMSTANCES HAVE CHANGED

In 1919 Sen. Walter E. Edge of New Jersey proposed that member banks of the Fed be allowed to organize federal corporations to engage in international banking and other foreign financial operations.

When his act was passed, the United States was a creditor nation, and Europe was broke. Senator Edge proposed that these corporations be set up to finance European imports from the United States by buying European bills, rolling them over, and redeeming them as the economies of Europe began recovering. When the Glass-Steagall Act was passed in 1933, Congress forgot about providing that Edge Act banks be confined to commercial banking. Perhaps this was because Edge Act banks were then so few in number.

Now, more than twenty banks or bank organizations are operating more than thirty Edge Act corporations in states other than their home state. For instance, Bank of America National Trust and Savings Association has Edge Act corporations not only at its head office in San Francisco but also in New York, Chicago, and Miami.

Although the Fed assures us that these domestic Edge Act corporations only do business incidental to the banks' foreign business, we see advertisements in the *Wall Street Journal*, *Business Week*, and *Fortune* describing how throughout the United States they finance off-shore drilling, a grain deal, a London sterling market problem, international medium-term financing, international leasing, and an Export-Import Bank project.

When we do not permit interstate banking, and the Edge Act specifically provides that no Edge Act corporation can "carry on any part of its business in the United States" except as "incidental to its international or foreign business" (12 U.S.C. § 616), I question the right of the Federal Reserve Board to allow any of these Edge Act corporations to exist within the continental United States in any state than the head office of the parent bank. As has happened so frequently, the board has read into the phrase "incidental to its international or foreign business" a power to authorize the Edge Act corporations of large banks to do an interstate banking business, soliciting customers who do business abroad, something Congress never intended.

In addition, the banks make questionable high-risk foreign loans at home but by subterfuge execute them abroad through their Edge Act corporations so as to avoid Securities and Exchange Commission regulation. They are marketed without the protection of adequate disclosure on which the S.E.C. insists for domestic securities. At the least, the S.E.C. should require registration of these loans before they are sold.

In briefing the Federal Reserve Open Market Committee on the state of the economy, the board's staff in nineteen consecutive meetings from November, 1971, to June, 1973, stressed that the economy was expanding at a rapid rate of growth. There was, therefore, no reason to increase the money supply rapidly at that time. Nonetheless, it was done. The result was reaccelerated inflation.

HOW TO WIN AN ELECTION . . .

In the course of warning against giving the Fed too much power, on November 25, 1974, the *Wall Street Journal* editorially stated that, "The money supply . . . grew far too rapidly in 1971–1973. In blunt words, the erosion of bank capital ratios was fundamentally caused by the inflational policies pursued by Chairman Burns." Professor Maisel, who was then a member of the board, states that George Schultz, then director of the Office of Management and Budget, in 1971 passed the word to the board that, "If an election were to be won, the Federal Reserve would have to increase the money supply at far more than the 4.2 per cent average of 1969–70."

The fact is that the Fed increased the money supply beyond what the economic indicators required, and President Nixon was re-elected. In no small measure, Dr. Burns is personally responsible for our inflation.

It is not so much that Dr. Burns as chairman of the Federal Reserve Board in 1971–72 used his position to flood the country with money, it is that the regulation of banks and bank holding companies by the Fed under his chairmanship has been poor.

In his Hawaii speech Dr. Burns said there are five things wrong with our banks: (1) an "attenuation of the banking system's base of equity capital"; (2) "reliance on funds of a potentially volatile character"; (3) "heavy loan commitments in relation to resources"; (4) "deterioration in the quality of assets"; and (5) "increased exposure of the larger banks to risks entailed in foreign exchange transactions and other foreign operations." Translated, this means that under Dr. Burns's stewardship at the Fed the banks are in a mess.

As in previous Congresses, I intend to reintroduce in the Ninety-fourth Congress a bill for a comprehensive reform of the Federal Reserve System.

Whatever the doubts about the wisdom of this reform or that, the time has come to effect at least these:

1. Have the United States redeem the stock held by member banks in the twelve Federal Reserve district banks, removing bank presidents with their conflicts of interest from the Open Market Committee and allowing the Federal Reserve Board to operate the system as Woodrow Wilson intended.

2. Compel the Fed's Open Market Committee to publish a transcript of its proceedings on the day it meets, thereby disclosing to the people and the Congress what the country's monetary policy is that day, not five years ago.

3. Except to the extent necessary to operate the open market account, cancel the $82

billion of bonds held by the Fed, thereby preventing it from building any more marble palaces to departed chairmen and requiring it to opearte on appropriated funds.

4. Subject the Fed to audit by the comptroller general in the same way he audits other agencies.

5. Regardless of their corporate form, limit all commercial banking institutions to traditional banking services, divorce commercial banks from bank holding companies, insist that commercial bank officers, directors, attorneys, and accountants be independent, and to the extent they are allowed to exist, subject bank holding companies to the same regulation as commercial banks.

6. Forbid the Fed from continuing to bail out banks and large corporations secretly without the permission of the president and Congress.

7. Vest one federal agency with all the federal bank examination powers now held by the Fed, the F.D.I.C., and the comptroller.

8. To ensure that the Federal Reserve Board and its chairman are accountable to the president of the United States and the Congress, as duly elected representatives of the people, reduce the present staggered fourteen-year terms of board members to five years and make the four-year term of the chairman coterminus with that of the president of the United States.

. . . AND CREATE A DEPRESSION

The high interest policy of the Fed under Dr. Burns bears a marked resemblance to what Andrew Mellon did in the depression of the thirties. Both have inflicted hardships on the lower and middle classes. The Burns policies at the Fed have increased unemployment, liquidated the real estate industry, emptied the savings banks, taxed the little fellow, proved ruinous to the housing industry and thrift institutions, and brought on depression. This is power that no one man or no one agency of government should have. There is no need for me to recall the evils of Watergate, except to point out that they came from individuals operating in secret with excessive governmental power.

The Fed's claim of independence masquerades its desire to use the people's money secretly in any way it chooses. Before its wrong policies bankrupt this nation, the Fed should be made to account to the elected representatives of the people—the president and the Congress.

GOOD NEWS: FEDERAL RESERVE NOW EASING MONETARY POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 10 minutes.

Mr. REUSS. Mr. Speaker, I am pleased to report that the Federal Reserve has begun to ease monetary policy. This is in the spirit of House Concurrent Resolution 133, passed on March 4, 1975, by an overwhelming vote of 367 to 55. This House action followed the introduction of the basic legislation, H.R. 212, on January 14, 1975.

House Concurrent Resolution 133 and its accompanying report requested the Federal Reserve to "lower long-term interest rates"—thereby stimulating homebuilding and productive capital investment, and reducing unemployment—through either of two methods:

First. Pursue a vigorous expansion of money and credit aggregates. After expanding the money supply, M_1—currency and demand deposits—by a frequently excessive figure during 1972 and 1973, the Federal Reserve abruptly reversed course in the middle of 1974, bringing money supply growth practically to a halt, and thus contributing to today's severe recession.

In the report on House Concurrent Resolution 133, we pointed out that rapid economic recovery would require a money supply growth of no less than 6 percent at an annual rate during the first half of 1975, and that many prominent economists, businessmen and labor leaders were calling for an 8 to 10 percent money growth, including former Federal Reserve Board Governor Andrew Brimmer, former Council of Economic Advisers Chairmen Paul McCracken and Gardner Ackley, and First Pennsylvania Bank Chairman John R. Bunting.

The need for stepped-up money growth was pressed on the Federal Reserve during the February 4 to 6 Domestic Monetary Policy Subcommittee hearings on H.R. 212, the precursor of House Concurrent Resolution 133, and the February 19 full Banking Committee hearing with Federal Reserve Board Chairman Arthur Burns.

During the month February 5 to March 5, 1975, for which figures have just become available, the Federal Reserve expanded the money supply—M_1—by 14 percent at an annual rate, up from the zero growth rate existing between October 1974, and January 1975. M_2—the broader money supply measure, including M_1 plus time deposits at commercial banks—rose 13.8 percent at an annual rate, compared with 5.2 percent between October 1974, and January 1975. This is excellent progress. Of course, 14 percent is too expansive a growth rate, but the Fed is obviously trying to recoup for earlier excessive tightness.

Second. Purchase long-term Treasury securities and obligations of Federal credit agencies, such as the Federal National Mortgage Association, for the Federal open market account.

In the report on House Concurrent Resolution 133, we pointed out that the Federal Reserve has failed to use purchases of long-term securities to directly lower long-term interest rates. Of the Fed's current $87 billion portfolio, over 85 percent are short term, maturing in less than 5 years, while less than 1 percent are long-term, maturing in more than 20 years. This composition of the Fed's portfolio is badly distorted in the wrong direction.

During the month February 5 to March 5, 1975, the Fed modestly improved the composition of its securities portfolio by increasing its holdings of longer terms by $243 million and selling $1.258 billion short terms. More is needed, but this is at least a start.

So far, however, we have only seen a significant reduction in short-term interest rates, with the rate on 90-day Treasury bills, for example, falling from 8.7 percent in August 1974, to 5.3 percent today. Long-term interest rates remain uncomfortably close to last year's record highs, with the yield on FHA-insured mortgages falling only from 10.3 percent to 9 percent during the same period.

By continuing to follow House Concurrent Resolution 133 and to try to lower long-term interest rates, the Federal Reserve will take a major step toward putting the Nation's economy back on the road to economic recovery. Until long-term rates move downward, there will be continued economic deterioration in the Nation.

Mr. Speaker, I shall continue to report on the Federal Reserve's performance.

The latest Federal Reserve money supply tables are attached:

TABLE 1.—MONEY STOCK MEASURES

[In billions of dollars; seasonally adjusted]

Date	M_1	M_2	M_3
	Currency plus demand deposits	M_1 plus time deposits at commercial banks other than large CD's	M_2 plus deposits at nonbank thrift institutions
1974:			
January	270.9	575.5	900.4
February	273.1	580.9	907.5
March	275.2	585.5	914.6
April	276.6	589.4	920.2
May	277.6	591.6	922.8
June	280.0	597.1	929.6
July	280.5	599.7	933.4
August	280.7	602.2	936.4
September	281.1	603.8	938.8
October	282.2	608.1	944.4
November	283.8	613.0	951.1
December	284.3	614.3	955.0
1975:			
January	282.2	[2] 616.0	[2] 959.6
February [1]	283.9	621.1	
Week ending:			
1975:			
Jan. 1	284.3	615.1	
Jan. 8	282.2	614.5	
Jan. 15	282.2	616.3	
Jan. 22	282.4	616.3	
Jan. 29	281.4	616.0	
Feb. 5	281.8	[2] 616.8	
Feb. 12 [1]	[2] 284.2	621.2	
Feb. 19	[2] 283.6	[2] 620.0	
Feb. 26 [1]	[2] 284.7	[2] 623.4	
Mar. 5 [1]	285.1	623.9	

[1] Preliminary.
[2] Revised.

TABLE 2.—MONEY STOCK MEASURES

[Percent change at seasonally adjusted annual rates]

Period	M_1	M_2	M_3
	Currency plus demand deposits [1]	M_1 plus time deposits at commercial banks other than large CD's [2]	M_2 plus deposits at nonbank thrift institutions [3]
January from:			
October 1974 (3 mo previous)	0	5.2	6.4
July 1974 (6 mo previous)	1.2	5.4	5.6
January 1974 (12 mo previous)	4.2	7.0	6.6
4 weeks ending: Feb. 26, 1975, from 4 weeks ending:			
Nov. 27, 1974 (13 weeks previous)	0	5.2	
Aug. 28, 1974 (26 weeks previous)	1.9	6.0	
Feb. 27, 1974 (52 weeks previous)	3.9	6.9	

[1] Includes (1) demand deposits at all commercial banks other than those due to domestic commercial banks and the U.S. Government, less cash items in the process of collection and F.R. float; (2) foreign demand balances at F.R. banks; and (3) currency outside the Treasury, F.R. banks and vaults of all commercial banks.

[2] Includes, in addition to currency and demand deposits, savings deposits, time deposits open account, and time certificates of deposits other than negotiable time certificates of deposit issued in denominations of $100,000 or more by large weekly reporting commercial banks.

[3] Includes M_2 plus the average of the beginning and end of month deposits of mutual savings banks and savings and loan shares.

Note: All rates of change are based on daily average data; rates of change are not compounded.

INDIANA DUNES

(Mr. ROUSH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ROUSH. Mr. Speaker, yesterday I reintroduced the bill that I sponsored last year to expand the Indiana Dunes National Lakeshore by some 5,328 acres.

Since the early 1960's I have been working to provide the people of Indiana, the Midwest and all Americans with a park on the shores of Lake Michigan where the irreplaceable and beautiful dunes stand. In 1966, we had our first success when the Congress passed a bill establishing the Indiana Dunes National Lakeshore.

The bill, however, left out some important areas which I have attempted to add, along with some other sections that have special recreational and ecological significance. Since 1971 I have been sponsoring legislation to achieve this goal.

In the 93d Congress my bill, H.R. 3571, enjoyed the support of many of my colleagues here in the House, not just those from the Midwest but from all over the United States. Last fall the Parks and Recreation Subcommittee of the House Interior Committee endorsed in full the expansion proposed by this legislation. A great deal of thought, study and work went into the hearings that preceded their deliberations and the deliberations that resulted in their approval of the expansion proposal.

The legislative process which must take place should start without further delay. So I reintroduced this bill today intact in spite of the fact that there remain some areas in contention. I realize there are areas of conflict and this bothers me, particularly where there is pressure to exclude certain land which adjoins the present industrial complex. These are not impossible of solution or resolution, but are extremely difficult to accede to. I shall ask for and press for early hearings.

Back in 1963 I participated in the intense negotiations that resulted in Indiana having both a port and park in this prime scenic-recreational area. I believe that if we could resolve the issues in conflict then, certainly we can resolve them now.

I shall continue to work with Congressman FITHIAN, who represents a large part of the area involved, with the Governor's office, and with all interested persons and parties, so that we may arrive at a consensus position.

BINARY CHEMICAL WEAPONS—A HAZARDOUS AND WASTEFUL EXPENSE

(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, I am introducing today a bill which prohibits the use of any appropriations for the procurement of any munition delivery system or production facility for any binary chemical warfare agent.

The binary chemical weapon is a relatively new concept of designing a chemical munition in such a way that the toxic agent is not produced until the munition has actually been fired. The munition is loaded with one of two chemical ingredients. The second ingredient is loaded into the munition only when the munition is actually to be fired. Firing of the munition causes the two ingredients to be mixed in flight to the target, so that when the munition explodes over the target area the toxic chemical agent is released. The toxic agents which can be produced in a binary system are exactly the same nerve agents which are currently in our stockpiles—code named GB and VX. These nerve agents are extremely lethal, and will cause paralysis and convulsions leading to death in a matter of moments after exposure. Less than one drop of the chemicals will cause death.

If the United States is really serious about its commitment to arms control, as recently signed by the President in the form of the Geneva Protocol on both chemical and biological weapons, and the UN Convention on Biological Weapons, then it logically must follow that we are also committed to successful culmination of the current negotiations on chemical weapons arms control at Geneva. If we can assume that the best interests of this country will be served by exerting every reasonable effort to avoid proliferation of chemical weapons, then it is necessary that we avoid any actions which would subvert these objectives. I believe that the bill I am introducing today which prohibits the Department of Defense from using any appropriations for procurement of delivery systems for any binary chemical weapon should be adopted by the House.

Even the Chairman of the Joint Chiefs of Staff has indicated that the binary chemical weapon is not an absolutely essential expenditure at this time. For example, General Brown said in his report on the U.S. military posture for fiscal year 1976:

> Modernization of the chemical warfare deterrent/retaliatory stockpile can be accomplished by either upgrading the present stockpile within the limits of agents available or by converting the stockpile to binary munitions.

Thus, there is an alternative to upsetting the status quo at this time, which would occur if we initiate the procurement of the binary chemical weapon. I have assumed that the General was remarking upon the fact that we already have in stock large quantities of bulk nerve agent, both GB and VX, which could, as originally planned, be loaded in standard chemical munitions to replace any deteriorating stocks and to maintain the chemical capability the military seems to feel is the only acceptable deterrent to the use of chemical weapons by other nations.

While the general refers in his statement to "modest modernization" programs, I am certain that the modest binary chemical program will very rapidly develop into a complete replacement of all chemical munitions and stockpiles of bulk nerve agent. The figures I have seen which estimate the cost of such a replacement with binary weapons are in the neighborhood of $500 million to perhaps as much as $1 billion. No one really seems to know, since the precise estimates of the impact of complete conversion to the binary system have not been made, or if made, have not been presented to the Congress.

We are already seeing an indication that the military proposals have progressed beyond the "modest" plans for an $8.8 million facility at Pine Bluff Arsenal to prepare for the assembly of the 155 mm binary artillery shell. In General Brown's statement, he also indicated that the Navy was going to resurrect a binary bomb program. The R.D.T. & E. budget will include an additional $2 million for completion of engineering development and test of this weapon.

Thus, we can identify at least three munitions already which will go into production in the near future if this binary concept of modernization is accepted by the Congress—the 155 mm artillery shell, the 8-inch shell, and now an Army/Air Force binary bomb. Certainly, it should come as no surprise for us to find also in the future, if the binary concept is approved for production, that binary rockets, missiles, spray tanks, land mines, and other chemical munitions would soon be going into production.

I know that this is a very complex issue. For example, the entire concept of the essential need for chemical weapons as the only real deterrent to the use of chemical weapons needs further examination. The Army has been criticized for its failure to provide adequate defense equipment to our Armed Forces; any attempt to highlight a so-called superior threat by the Soviet forces at this time simply reemphasizes the neglect of this issue for the past 20 years. I do not wish to take this time to discuss the more detailed pros and cons of the various issues peripheral to this proposal to procure the binary chemical weapon.

At the request of several Members, Dr. James M. McCullough of the Science Policy Research Division, Congressional Research Service, prepared a summary report entitled "Chemical and Biological Warfare: Issues and Developments During 1974," CRS Report UG 447; 75-13 SP, dated January 2, 1975. As noted in this report, the 93d Congress devoted a great deal of time to the issue of the binary chemical weapon, and decided to deny the military the funds requested in the fiscal year 1975 budget to begin the production of the Pine Bluff Arsenal facilities. I have a number of copies of this report in my office, or interested Members may obtain copies direct from the Congressional Research Service.

A major point to keep in mind is that a request for $8.8 million is back in the DOD fiscal year 1976 budget for these binary facilities at Pine Bluff, along with $3.5 million for R.D.T. & E. on other binary munitions and an additional $2 million for the development of the Navy/Air Force binary bomb.

The deletion of the funds for production facilities for the binary chemical bomb last year probably occurred too late to be an effective political action in support of arms control negotiations at Geneva. If the House supports the bill I

am introducing today, we will be giving a strong signal to the representatives at this conference that the United States is indeed steadfast in its intentions to prevent the proliferation of chemical weapons. The Director of our Arms Control and Disarmament Agency has indicated that this action would support the negotiations on this problem.

The text of the bill is as follows:

H.R. 4955

A bill to prohibit the production and procurement by any agency of the United States of any delivery system designed to disseminate any binary-type chemical warfare agent

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That no funds authorized or appropriated by any Act making authorizations or appropriations for fiscal year 1976 or for any fiscal year thereafter to the Department of Defense for military functions administered by that Department may be used by any department, agency, or instrumentality of the United States to—

(1) procure any delivery system, or any part or component of any delivery system, which is designed to disseminate any binary-type chemical warfare agent, or

(2) establish (by construction or otherwise) or operate any facility for the production of any such system, part, or component.

NUCLEAR POWERPLANT CONSTRUCTION BAN

(Mr. FISH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. FISH. Mr. Speaker, today, with my colleague from New York, Mr. PATTISON, I am introducing the Nuclear Energy Reappraisal Act of 1975 which directs the Nuclear Regulatory Commission—formerly the Atomic Energy Commission—to suspend the granting of construction licenses for new nuclear powerplants pending a 5-year independent study of the entire nuclear fuel cycle by the Office of Technology Assessment.

Enactment of the Nuclear Energy Reappraisal Act would give our Nation time to decide whether we truly want to develop nuclear fission powerplants as a major energy source. Each of the large nuclear plants now being built produce during each year of operation, the radioactive equivalent of about 1,000 Hiroshima-size atomic weapons. Coupled with industry predictions of 1,000 nuclear plants by the turn of the century, we would be producing every year the radioactive equivalent of 1 million Hiroshima atom bombs in this country alone. Failure to contain 99.999 percent of this radioactive poison for the next 100,000 years or more could result in irreversible poisoning of our entire planet.

I think we ought to evaluate very carefully whether we wish to make this kind of commitment for present and future generations. Now is the time before any more plants are built, for once a greatly expanded nuclear fission program is operational there is no turning back.

Radioactive wastes are a problem forever. Perhaps the most dangerous of these wastes is plutonium, about 400 pounds of which are produced each year by each of the currently operating large reactors. It takes 24,400 years for just half the plutonium to decay, another 24,400 years for three-quarters to decay, another 24,400 years for seven-eighths to decay, and so forth. Yet just 1 pound—or about three tablespoons—of plutonium represents enough poison to give 9 billion people lung cancer. A plutonium economy could wipe out instantly all the advances made in the field of human health in the last quarter century.

Plutonium is also the material from which atomic bombs can be made. Experts agree that just 20 pounds of plutonium in the hands of the wrong people is all that is needed to produce a private atomic weapon. A college student might well have the capability of producing such a weapon since all the information needed can be obtained from popular encyclopedias and textbooks. By 1985 it is estimated that 100,000 pounds of plutonium might be in commercial circulation in America. Attempts to prevent the theft of just one five thousandth—20 pounds—of that much plutonium presents an enormous security problem.

Mr. Speaker, I would like to make clear to my colleagues the rationale for and the importance of a cessation in new plant licensing while the 5-year study is carried out. The rationale of this moratorium is that until we can determine whether or not the problems of reactor safety, waste disposal, and safeguards for special nuclear material can be solved, the most prudent course is to stop the licensing of nuclear fission plants. To argue as nuclear proponents do that we should build the plants and then hope we can solve these serious and perhaps unsolvable problems, is to put the cart before the horse. It is also important to emphasize that 5 years is necessary to make a full assessment of the implications of a commitment to expand our nuclear plant program. The Rasmussen study of reactor safety, inadequate in the eyes of many commentators, considered only safety issues and took 3 years to complete.

The study proposed in this bill goes far beyond the Rasmussen study of reactor safety. Not only must reactor safety be considered before further nuclear plants are licensed, we must also know whether or not the problems of waste disposable can be solved; we must know whether a breeder reactor can be built so that it will operate safely; we must know whether it is possible to prevent the plutonium produced by and for nuclear fission powerplants from falling into the hands of terrorists; we must have a comprehensive assessment of the costs of nuclear powerplants which takes into account all of the hidden subsidies for nuclear power development.

In addition to these subjects the bill that I am introducing this afternoon lists other important subjects that must be studied before we make further commitments to nuclear power. In summary, it is clear that at least 5 years are necessary for a study of the hazards of nuclear fission plants. But the purpose of this bill is not just to provide time for an adequate study of the safety and environmental consequences of nuclear power. The purpose of this 5-year cessation to licensing of nuclear plants is to give the citizens of the United States an opportunity and impetus to engage in a national debate about the wisdom of continuing the development of nuclear fission powerplants. As Albert Einstein once said:

> The future of nuclear power must be decided in the town square of America.

Thus there must be time not only for independent technical assessment of nuclear power, there must also be time for a public debate on the wisdom and morality of a nuclear powerplant program. As the results of the independent assessment of nuclear power become available, there must be time for all interested parties to evaluate results and their implications for our present energy policies.

Mr. Speaker, I wish to make one last point. Many people worry that a 5-year halt in nuclear licensing will add to our employment problems. They need not worry because some kinds of powerplants are going to be built, no matter what. As many people are needed to build and operate nonnuclear powerplants as are needed to build and operate nuclear plants. Workers in addition may work under conditions that would not expose them constantly to the inherent radiation hazards of operating nuclear plants. My 5-year ban certainly need not conflict with the interests of labor, and may even assist in efforts to reduce workers' exposure to industrial hazards.

Mr. Speaker, there follows the text of the Nuclear Energy Reappraisal Act of 1975.

H.R. 4971

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 "Nuclear Energy Reappraisal Act".

STATEMENT OF FINDINGS AND PURPOSES

SEC. 2. (a) The Congress finds that there is serious division in the general citizenry and in the scientific community about the wisdom of a commitment to a further expansion of nuclear fission power because of: unresolved questions about the safety of nuclear plants; the potential danger to society from the use of special nuclear materials, such as plutonium, which if diverted from their intended uses, may be used as weapons of terror; the unresolved problem of the storage of nuclear waste materials for 250,000 years; and because the economic feasibility and reliability of nuclear plants continues to be in question.

(b) The Congress therefore declares that—

(1) the further deployment of civilian nuclear fission plants is inconsistent with the national security and public safety as required by section 3(d) of the Atomic Energy Act of 1954;

(2) the serious safety and environmental problems associated with nuclear fission power should be resolved before a further commitment to nuclear power is made by the United States Government; and

(3) the Office of Technology Assessment should undertake a comprehensive review of the safety, environmental, and economic consequences of the proliferation of nuclear fission plants in the United States and abroad in a completely independent manner.

CESSATION OF LICENSING OF NUCLEAR PLANTS

SEC. 3. (a) The Nuclear Regulatory Commission is directed to cease, beginning on the first day after the date of the enactment of this Act, the granting of licenses or limited work authorization for the construction of nuclear fission powerplants and

the granting of licenses for the export of nuclear fission powerplants.

(b) This termination shall continue until the Congress, after having adequate time to study the results of the investigation described in section 4, shall make a determination that—

(1) the effectiveness of all safety systems, including but not limited to the emergency core cooling system, of any nuclear fission powerplant operating or to be operated in the United States is demonstrated by comprehensive testing, in actual operation, substantially similar physical systems, to the satisfaction of the Congress;

(2) the radioactive wastes from such a plant can be stored or disposed of, with no reasonable chance, of intentional or unintentional escape of such wastes or radioactivity into the natural environment to immediately or eventually adversely affect the land or the people of the United States, whether due to imperfect storage technologies, earthquakes or other acts of God, theft, stabotage, acts of war, governmental or social instabilities, or whatever other sources the Congress may deem to be reasonably possible;

(3) the effectiveness of security systems throughout the fuel cycle is demonstrated to the satisfaction of the Congress; and

(4) after analysis of all the safety, environmental, and economic consequences enumerated in section 5, nuclear fission plants are clearly superior to other energy sources, including renewable energy sources.

(c) This termination shall continue until the Congress, after having adequate time to study the results of the investigation described in section 4, shall provide by law—

(1) for resumption of the licensing of nuclear fission powerplants and the development of criteria and standards for the licensing of such plants; or

(2) that resumption of such licensing be permitted but only under limited conditions specified in that law.

(d) Beginning five years and 180 days after the date of the enactment of this Act, if the Congress has not determined, under section 3(b), that the licensing of fission plants may continue, each existing nuclear fission powerplant and each such plant under construction shall not be operated at any time at more than sixty percent of the licensed core power level of such plant and shall thereafter be derated at a rate of ten percent per year of the licensed core power level of such plant, and shall not be operated at any time in excess of such reduced core power level.

(e) The provisions of section 3 shall not apply to small-scale nuclear fission reactors used exclusively for medical or experimental purposes.

OFFICE OF TECHNOLOGY ASSESSMENT STUDY

SEC. 4. (a) The Office of Technology Assessment is directed to undertake a comprehensive study and investigation of the entire fuel cycle from mining through fuel reprocessing and waste management and, as described in section 5, to determine the safety and environmental hazards of this cycle.

(b) The Office of Technology Assessment shall conduct this study independently. The Office in conducting the study shall request, receive and consider the comments and opinions of independent scientists, engineers, consumer, and environmental representatives. The Office shall hold informal public hearings on each major area of inquiry to permit interested persons to present information orally, to conduct or have conducted cross examination of such persons as the Office determines appropriate for a full airing of the issues and to present rebuttal arguments. A verbatim transcript shall be taken of any oral presentation in cross examintaion and shall be published by the Office. The Office shall have the power to enter into contracts with individuals or corporations for the purposes of conducting the study, but shall not enter into contracts with or rely primarily on the expertise of any industry or company which provides materials, management capabilities, research, or consultant services for nuclear fission powerplants or which otherwise in the judgment of the Office might have an interest in perpetuating the nuclear industry.

(c) All Government agencies shall cooperate to the fullest extent with the Office and shall provide access to their personnel and data. At the request of the Office, any Government agency shall furnish any information which the Office deems appropriate for the purpose of conducting the study. The Office is further empowered to compel the delivery of any information in the possession of the Nuclear Regulatory Commission, National Laboratories, or any person, corporation, or association which the Office deems necessary for conducting the study.

OFFICE OF TECHNOLOGY ASSESSMENT REPORTS

SEC. 5. (a) Five years after the date of the enactment of this Act, the Office of Technology Assessment shall submit a final report to the Congress and the public concerning the safety and environmental hazard of nuclear fission powerplants and the nuclear fuel cycle.

(b) The Office will provide an annual report to the Congress and the public on the progress of the study, and provide the opportunity for an annual public hearing concerning the progress of the study. In each annual report the Office shall inform the Congress of the actions it has taken to fulfill the requirements of the Act, whether it has found any evidence that any persons have violated the laws and regulations relating to safety in the development or use of nuclear power or special nuclear materials, whether it has any evidence that the agencies of the Federal Government, present or past, which have the responsibility for insuring the safety of the nuclear fission power have not faithfully or effectively exercised their responsibilities, the extent to which other Federal agencies have cooperated with the Office, whether all information requests of the Office under section 4(c) have been complied with, whether and to what extent the Office has made provision to insure that all viewpoints have been adequately considered. The Office, in its annual report, shall also make available to Congress and the public, any information relating to the safety of the nuclear fuel cycle which has heretofore not been public information either because it was not publicly available, it was not compelted in an analytical form, or for other reasons.

(c) The final report shall include recommendations as to whether a resumption of the licensing of nuclear fission power plants should be allowed, and if so, the conditions under which licenses should be granted. The report shall consider the following issues:

(1) The safety and environmental hazards associated with the entire nuclear fuel cycle, including, but not limited to the significance of frequent malfunctions in components of emergency core cooling systems as evidenced by the 166 abnormal occurrences reported by the Atomic Energy Commission in 1973, the six failures of emergency core cooling systems in semi-scale tests, and the significance of the British government's rejection of the light water reactor because of the danger of pressure vessel rupture.

(2) The short-term and long-term genetic effects of low level radiation.

(3) The economic implications of a commitment to nuclear fission powerplants, particularly in relation to:

(A) the long-term cost and availability of raw materials in light of the existence of a foreign uranium cartel;

(B) the cost implications of the frequent shut-down of nuclear plants including the costs of shut-down and start-up, inspections, the cost to consumers of purchase of alternative power during shut-down, unemployment benefits and other costs of unemployment that result from shut-downs;

(C) the economic wisdom of a commitment to an energy technology in which prudent safety management requires that all plants of similar design be shut-down when a serious safety problem arises at one plant, or sabotage of one plant is threatened; and the costs of necessary safeguards, including the costs of the design of the components of a nuclear transportation system, the costs, both public and private, for personnel, equipment and property to protect the projected 1,000 nuclear plants, reprocessing facilities and the thousands of components of the nuclear transportation system and the costs of decommissioning existing nuclear fission powerplants; and

(D) the total savings to nuclear plant operators arising from the subsidiaries to nuclear power by the Federal Government since the inception of the civilian nuclear power program including research costs, for programs such as the liquid metal fast breeder reactor, waste storage costs, regulatory costs, promotional costs, enrichment costs, safeguard costs, insurance subsidies through the Act commonly called Price-Anderson Act and any other costs associated with the development of civilian nuclear power.

(4) The storage of high level radioactive wastes which may remain dangerous for 250,000 years.

(5) The central question of proliferation, nationally or internationally, of nuclear fission powerplants in relation to possibly safer and cheaper alternatives, especially renewable energy sources.

(6) An assessment of whether utilities, as institutions, are financially and technically capable of operating nuclear plants safely in light of the high costs of safety measures and the 861 AEC documented abnormal events in utility operated nuclear plants in 1973.

(7) An assessment of the licensing processes of the Atomic Energy Commission (and its successor the Nuclear Regulatory Commission) which have permitted nuclear plants to be built over geologic faults and in other unsafe locations and which have allowed the continuation of license for utilities which have shown gross negligence in the operation and construction of nuclear plants.

PUBLIC INFORMATION

SEC. 6. (a) The Office of Technology Assessment shall be subject to section 552 of title 5, United States Code. The provisions of paragraphs (4) and (5) of section 552 of title 5, United States Code, shall not be construed to apply to any records of the Office which relate to the development, operation, or efficacy of the safety systems throughout the entire nuclear fuel cycle, except that provisions of paragraph (4) of such section may be construed to apply to such records in any case where the Office, after notice and opportunity for an agency hearing on the record, determines that such disclosure would result in irreparable injury to the competitive position of the person from whom the information was obtained. Such determination shall be subject to judicial review pursuant to section 552 of title 5, United States Code.

(b) As used in subsection (a)—

(1) the term "records of the Office" includes any application, document, study, report, correspondence, or other material or information or any part thereof received by or originated by the Office in connection with its duties under this Act; and

(2) the term "Office" means the Office of Technology Assessment, or any entity therein.

COMPENSATION FOR PUBLIC

SEC. 7. The Office of Technology Assessment shall, pursuant to rules promulgated by it, provide compensation for travel costs,

per diem expenses, and experts' fees, and other costs in consulting with the Office, pursuant to the Office's responsibility under section 3(b), to any person who—

(1) has or represents an interest (A) which would not otherwise be adequately represented in such consultation, and (B) whose views are necessary for a full assessment of nuclear power and alternatives pursuant to this Act; and

(2) who is unable to participate effectively in such assessment because such person cannot afford to pay the cost of travel, per diem expenses and expert witnesses.

AUTHORIZATION

SEC. 8. There is authorized to be appropriated for the study under section 4 the sum of $15,000,000 for each of the first five fiscal years beginning after the date of the enactment of this Act.

STATEMENT BY COMMISSIONER OF RECLAMATION GILBERT G. STAMM BEFORE THE HOUSE SUBCOMMITTEE ON WATER AND POWER RESOURCES

(Mr. JOHNSON of California asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. JOHNSON of California. Mr. Speaker, the Subcommittee on Water and Power Resources, of the Committee on Interior and Insular Affairs, had an orientation meeting on Friday, March 14, 1975, with officials who are in charge of administering the Federal reclamation program.

The principal spokesman for the Department of the Interior was Commissioner of Reclamation, Mr. Gilbert G. Stamm, a career employee who has risen through the ranks to head his agency.

In all the years that I have served on this subcommittee I have seen literally hundreds of witness statements and other presentations by reclamation representatives. The statement given us by Commissioner Stamm on this occasion is an outstanding effort from the standpoint of its scope, propriety, and clarity of expression. It points out, in a minimum number of words, the public values which have been gained and which are yet to be realized through enlightened utilization of our natural resources.

So that all of my colleagues in the House, regardless of their previous beliefs concerning this program, may have the advantage of Commissioner Stamm's remarks I include them in the RECORD at this point:

STATEMENT BY COMMISSIONER OF RECLAMATION GILBERT G. STAMM BEFORE THE HOUSE SUBCOMMITTEE ON WATER AND POWER RESOURCES

Mr. Chairman, it is a pleasure to meet with the Subcommittee on Water and Power Resources at the start of the 94th Congress. I add my welcome to the new members of the committee and look forward to developing a mutual understanding through which our day-to-day working relationships will be enhanced.

My presentation will focus primarily on providing the new members with information for use in their decision-making processes. I am prepared to enlarge upon any topic which the chairman or members of the committee may desire.

The Federal Reclamation program has operated for 73 years to assist in the development of the West. The basic mission is to assist the States, local governments, and other Federal agencies to stabilize and stimulate local and regional economies, enhance and protect the environment, and improve the quality of life through development and management of water and related land resources. Our general authorities extend to the 17 contiguous Western States and Hawaii, however, by specific authority and use of funding other than from the Reclamation fund, we can and do provide assistance elsewhere in the Nation and the world.

We provide technical assistance overseas on a reimbursable basis through the Agency for International Development and through international organizations such as United Nations, World Bank, Organization of American States, and by direct governmental advances.

Reclamation projects, through a multiple-purpose concept, provide for some or all of the following purposes: (1) municipal and industrial water service, (2) hydroelectric power generation and transmission, (3) irrigation water service, (4) water quality improvement, (5) fish and wildlife enhancement, (6) outdoor recreation, (7) flood control, (8) navigation, (9) river regulation and control, and (10) related uses. Major program objectives include: (1) investigate and develop plans for the regulation, conservation, management, and utilization of water and related resources, including basin-wide water studies and new sources of fresh water supplies, power capacity, and energy, (2) design and construct authorized projects, repair and rehabilitate existing projects, and administer loans and grants under the loan program, (3) operate and maintain Bureau constructed facilities which are not transferred to local organizations, review the operation and maintenance of all Bureau-built facilities, and administer water and power marketing contracts, and (4) conduct mission oriented research programs to maximize use of resources including weather modification.

Unlike other public works programs, the Reclamation program has from the very beginning, been based on the principle of repayment by direct beneficiaries (water users organizations, conservancy districts, municipalities, power customers, and other agencies). Repayment of the public investment is designed to recover all statutorially reimbursable costs which constitute over 86 percent of the total investment. As provided by law, some or all costs assigned to specific functions such as flood control, recreation, and fish and wildlife enhancement are nonreimbursable. Repayment of costs is greater in Reclamation than in any other Federal-resource development program.

Direct economic impacts of the Reclamation program are derived from project construction, project operation and maintenance, and the various project functions. Other related economic impacts stem from increased business activity in the purchase of materials and equipment for construction, agricultural processing industries, livestock feeding operations, water and power using industries, and service oriented businesses. This increase in business activity in turn generates a substantial flow of additional taxes to the U.S. Treasury. These increased revenues, though substantial and significant, receive little public attention, and are not included in our analyses to determine the ratio of benefits to costs.

This subcommittee plays a major role in establishing the authorities, policies, accomplishments, and success of the Bureau of Reclamation program. Usually initial project studies are of an appraisal or reconnaissance nature and are intended to reveal whether more detailed investigations are warranted to establish feasibility.

On the basis of appraisal studies we may recommend congressional action, for authority to proceed with feasibility level investigations. Feasibility investigations are not undertaken unless authorized by the Congress. Feasibility studies are performed using the established principles and standards for planning water and related land resources. Contingent upon the findings of the feasibility study, a proposal may be submitted to the Congress for approval and authorization of construction. Legislation to authorize a project is handled by the Interior and Insular Affairs Committees of the Congress, while requests for appropriation go through the Public Works Subcommittees on Appropriations.

OPERATION AND MAINTENANCE

The Bureau of Reclamation operates and maintains, on a permanent basis, only power projects and reserved water works on multipurpose projects. These facilities must be operated and maintained in a manner to protect the Federal investment and assure that they continue to serve their intended purposes safely and efficiently. When possible, completed water service facilities are turned over to water users organizations as rapidly as practical. During the construction period or until operating agreements are executed, all systems are operated by the Bureau with appropriated or user advanced funds.

PLANNING

The primary objective of planning is to formulate plans which will be responsive to national needs and goals, environmental quality and which will maximize regional economic goals and social well-being relative to development of the resources. Plans of development provide for the allocation of water developed to achieve a wholesome and balanced growth in the areas influenced.

Rapidly changing shifts in national priorities have resulted in several unresolved questions:

1. To what extent will there be an increased demand for natural fibers as a result of the reduced availability of synthetic petroleum base fibers?

2. Will there be a growing international requirement for American food products in the long range perspective?

3. Is there any reason why it is not in the national interest to utilize our renewable agricultural production potential as an economic and social tool?

4. Is there reason to believe that an ample and reasonably priced food supply for all Americans is not a worthy national goal?

5. Can water resource development through public works projects be responsive enough to become an effective means of achieving current national goals?

6. To what extent will existing or new water supplies be required for the production of energy; for cooling in nuclear and other power plants; and for development of the West's oil shale and coal for gasification and liquefaction?

These and other related questions require prompt attention. We in the Bureau are making adjustments in our planning program, where possible to reflect the latest priorities for development. Our programs will give special attention to improving existing water resource management.

RESEARCH

Reclamation's research program is mission oriented and is directed to solving immediate problems and developing new technologies associated with the conservation, development, and use of the water and related land resources of the West. Research is a valuable tool which provides the technology for achieving greater conservation of water, more efficient distribution and use of available supplies, and greater economy in planning, designing, constructing, and operating water resource projects.

Laboratory and field research efforts are focused on improved irrigation efficiency, water conservation, and water quality improvement. Emphasis also is given to improved power generation-transmission efficiency and reliability.

A major research thrust in atmospheric water resources management has yielded promising information which could be used to overcome the relative inefficiency of nature in producing precipitation at the times and places where it can be better utilized for man's benefit. The ecological impacts of water development are being analyzed to evaluate the effects of water projects and water management operations on local areas and river basins, and to develop improved techniques for environmental enhancement. One of Reclamation's newest research efforts involves the energy research and development program, including geothermal and pumped-storage research. This program is an integral part of the national effort to achieve a capability for energy self-sufficiency.

CONSTRUCTION

Since its establishment in 1902, over 160 water resource development projects or units of projects have been constructed by Reclamation for a national investment of about $6 billion. Our fiscal year 1975 construction program gives high priority to projects with early completion dates whose major purposes are power, municipal and industrial water, drainage works, and system protection.

During fiscal year 1975, construction activities continues on 75 projects or major units of projects located throughout the 17 Western States. About 70 percent of the total Reclamation appropriations in fiscal year 1975 was for construction.

Projects with major construction programs underway include the Columbia Basin Project, Washington; Central Valley Project, California; Central Arizona Project, Arizona-New Mexico; Colorado River Basin Salinity Control Project, Arizona-California; Fryingpan-Arkansas Project, Colorado; Teton Basin Project, Idaho; and the Garrison Diversion Unit, Pick-Sloan Missouri Basin Program, North Dakota.

In this time of concern about our Nation's energy, we are pleased to report that construction is proceeding well on the Columbia Basin Third Powerplant at Grand Coulee Dam on the Columbia River. The first of six units of unprecedented size is scheduled to begin generating power in August 1975. The Third Powerplant is an addition to the existing facilities, and will add 3.9 million kilowatts to the 18 units presently operating which have a capacity of 2.3 million kilowatts.

In addition to the power producing capabilities of the Columbia Basin Project, approximately 1,000,000 acres of land has the potential for irrigation development. Over one-half of these lands have been developed and are producing needed food for the Nation and the World.

Expansion of the Central Valley Project in California, is continuing. The project consists of an integrated system for water storage, regulation, conveyance, and distribution. The project will provide full irrigation to 258,000 acres, supplemental water to 2,289,000 acres, deliver nearly 354 billion gallons annually for municipal and industrial use, and generate about 1.6 billion kilowatts of hydroelectric power. Flood control, recreation, navigation, and fish and wildlife protection are also important functions of the project. More than 200 different commercial crops are grown on the project, including cereal, field, forage, nursery, seed and truck crops, nuts, vines, and deciduous and citrus fruits.

Construction continues on major elements of the Central Valley Project, including the Westlands Irrigation Distribution System, the Tehama-Colusa Canal, the Pleasant Oaks Distribution System, and the Auburn Dam. The excavation and foundation treatment is underway for the Auburn Dam, a major structure located on the American River in the east-central part of the Sacramento-San Joaquin Valley. Also construction will be started on the San Felipe Division during fiscal year 1975.

The Columbia Basin and Central Valley Projects are but two of the larger on-going projects in our construction program. The remaining 73 are of varying size and scattered throughout the 17 Western States.

Reclamation construction activity provides for increased utilization of manpower from minority groups under the provisions of the Federal equal employment opportunity program. Fifteen members of the Navajo Tribe are employed by Reclamation on the Navajo Indian Irrigation Project and from 20 to 50 Navajo are employed by contractors, depending on the volume of construction activity underway at any given time.

FOREIGN ACTIVITIES

The international reputation of Reclamation in the field of water resource development has resulted in numerous requests for technical assistance to other nations both directly and through such agencies as the Agency for International Development (AID) Department of State, World Bank, and the United Nations. Assistance includes sending individuals or teams abroad on various engineering or resource advisory assignments, or training foreign visitors in pertinent water resources development techniques and procedures. Financing is provided by the requesting organization or the recipient country.

ENVIRONMENTAL ENHANCEMENT

Water resource development projects have many positive environmental effects. When water management practices regulate and augment low flows of rivers and streams, decrease erosion, prevent flood, eliminate waste of water, and in many instances change deserts into gardens where man can comfortably live and prosper, the result is betterment of environmental conditions.

ACCOMPLISHMENTS

The accomplishments of the Reclamation program are many and varied, reflecting the diversified nature of Reclamation projects. Our accomplishments stress a primary goal of balancing water supply with water requirements to provide for the needs of people.

The United States continues to serve as the "breadbasket of the world" feeding not only its own people in a manner unprecedented in human history but helping to satisfy the food needs of much of the rest of mankind as well. The crop production occasioned by national investment in the Reclamation program would satisfy the annual needs of over 32 million people. The wide variety of high-quality, high value crops produced on Reclamation served lands provides many of the specialty crops that characterize a well-balanced diet.

These crops were produced on 9.2 million acres of irrigated land. The gross crop value, in 1973, was $3.9 billion. The cumulative gross value of all crops produced on Reclamation projects over 67 crop reporting years totals about $40.9 billion. This cumulative value is over seven times the total plant-in service investment of $5.8 billion.

The Bureau of Reclamation in 1973 marketed nearly 50 billion kilowatt-hours of electric energy from its hydroelectric plants which neither consume nor pollute the water passing through the turbines.

The electric energy produced at Reclamation operated hydroelectric plants only, is sufficient to supply the needs of about 5 million residential customers. Assuming three people per residential family, this would be equivalent to the residential requirements of the cities of San Francisco, Chicago, Dallas, Washington, D.C., and New York.

Production of an equivalent amount of energy from alternative fossil fuels resources would have required some 66 million barrels of oil, 17 million tons of coal, or 400 billion cubic feet of natural gas.

Supplying water for municipal and industrial use continued to be an important function of the Reclamation program as population, business, and industry continues to expand in the West. In 1973, Reclamation project facilities delivered over 600 billion gallons of water for municipalities and industries, providing most of the water needs of a population of about 15 million. In addition, water conveyed for other non-agricultural uses totaled over 100 billion gallons.

Recreational use at our recreation areas totaled over 56 million visitor days, with 251 reservoirs or recreation areas being provided for this use. People are enchanted by viewing the breath-taking scenery of beautiful lakes; participating in such sports as fishing, sailing, powerboating, and water skiing; watching wildlife in its native habitat; or seeing the sun set serenely behind the tree-lined horizon of a placid lake. The desire for tranquility and a change of pace has resulted in increasing numbers of visitors at reservoirs, lakes, and canals created by Bureau of Reclamation facilities.

Probably the least-heralded feature of many multipurpose dams and reservoirs on Bureau of Reclamation projects is their ability to control flood waters. Virtually all regulating facilities on Bureau of Reclamation projects provide some flood protection even though they may not have been initially authorized nor designed for flood control. Significant, flood control benefits continue to be realized from our operations in the 17 Western States, totaling almost $176 million in 1974.

In conclusion, I would like to reiterate that the Reclamation program is involved with all sources of water (surface, ground, atmospheric, and sea water) and to emphasize that through appropriate development and management of water for all functions throughout the 17 contiguous Western States, the Reclamation program is bolstering, stabilizing, and expanding local, regional, and national economies; is enhancing and protecting the environment; is improving social and cultural benefits; and in total is improving the quality of life for mankind.

Thank you, Mr. Chairman.

OF PHYSICIANS, PATIENTS, AND PROFESSIONAL LIABILITY: A LEGISLATOR LOOKS AT THE MEDICAL MALPRACTICE CONTROVERSY

(Mr. ROGERS asked and was given permission to extend his remarks at this point in the RECORD and to include a speech by HENRY A. WAXMAN.)

Mr. ROGERS. Mr. Speaker, my colleague on the Public Health and Environment Subcommittee of Interstate and Foreign Commerce, Mr. WAXMAN of California, was previously chairman of the California Assembly Select Committee on Medical Malpractice. He has recently delivered an address on the present crisis in medical malpractice insurance, which I would like to insert in the RECORD and share with the other Members of the House of Representatives.

Recent months have been marked by a greater public awareness of the present crisis in health care resulting from the dramatic increase in the number of medical malpractice claims and in the cost of malpractice insurance, as well as the unavailability of insurance coverage in some parts of the country.

The time has come for the Congress to effectively assess the problem and to ad-

dress ourselves to legislative solutions that will serve the interests of health providers, consumers, and the general public.

It is my honor, Mr. Speaker, to insert at this point in the RECORD Mr. WAXMAN's recent remarks to the meeting of the Southern California Society of Oral Surgeons in Scottsdale, Ariz.

The remarks follow:

OF PHYSICIANS, PATIENTS, AND PROFESSIONAL LIABILITY: A LEGISLATOR LOOKS AT THE MEDICAL MALPRACTICE CONTROVERSY

(By HENRY A. WAXMAN*)

I. INTRODUCTION: THE CURRENT CRISIS IN MEDICAL MALPRACTICE

The Los Angeles Times of January 7, 1975, carried a front page article bearing the caption "Medical Crisis: Doctors Finding Insurance Scarce." Readers of this article learned that about 2,000 Los Angeles physicians began the New Year by scurrying for new malpractice insurance coverage because two insurers—Pacific Indemnity and Star Insurance Company—unexpectedly announced they were pulling out of the medical malpractice field. This presently leaves only three insurance carriers in California who extend coverage for professional liability to physicians; and one of these, Argonaut, which insures doctors in Northern California, has informed some that as of May 1, it will either raise malpractice insurance premium rates by as much as 200% or quit the field.

These events were not wholly unanticipated by those knowledgable about developments in professional liability for physicians. In November, 1974, for instance, I chaired a hearing of the Assembly Select Committee on Medical Malpractice. Expert witnesses at this hearing testified that the entire casualty insurance field was faced with severe financial difficulties due to inflation, the loss of reserves in the stock market decline of the past year and a half, and the frequency of claim losses. It was emphasized that these financial difficulties are exacerbated when the casualty coverage is not particularly profitable, the market involved is small, and claims are an administrative nuisance to handle—all features that insurers and brokers swear apply to medical malpractice insurance.

Assuming the veracity of this diagnosis of the casualty insurance field, particularly medical malpractice, we can infer that to avert the impending crisis we must come to grips with the general state of the economy, the stock market, and medical malpractice claim losses. Moreover, elected officials are expected to tackle this problem, "in the public interest." This means, according to Walter Lippmann, that we must do "what men would choose if they saw clearly, thought rationally, acted disinterestedly and benevolently." (Lippmann, "The Public Interest," in The Public Philosophy 42 W. Lippmann ed. 1955)

Faced with this challenge, I am certain that you will appreciate my confession that I address you on this topic with some trepidation. Nonetheless, I accept the challenge, or at least a part of it, leaving the general state of the economy and the vagaries of the stock market for another time when, hopefully, I will have something to contribute besides the confusion that already surrounds these topics.

II. THE RISE IN MALPRACTICE CLAIMS

That malpractice claims have increased in recent years cannot be denied. The Preliminary Report of the Assembly Select Committee on Medical Malpractice found, for example, that:

The number of malpractice claims filed in California has increased from 13.5 per 100 physicians in 1965 to more than 18 per 100 physicians today—an increase of approximately 40%.

This particular finding was made in June of 1974. By November of the same year, we learned that actuaries had projected that by the end of 1974, 35 out of every 100 doctors in Los Angeles County would be named as defendants in malpractice claims.

Not only have the claims increased, but the dollar size of awards (verdicts and settlements) has gone beyond actuarial predictions. Those awards considered extremely large—$300,000 and over—have risen at an almost geometric progression:

In 1969 there were three, in 1971, nine, in 1972, thirteen, and in 1973, twenty-four. It is easy to visualize these figures on a graph, and the slope of the curve is extraordinary. Professional Liability Newsletter, Vol. 6, No. 1, March, 1974, p. 4 (Quoted in Preliminary Report of the Assembly Selected Committee on Medical Malpractice at p. 15 (June, 1974)).

It is not surprising that malpractice insurance premiums for doctors and hospitals have followed a similar "extraordinary" curve. In 1969, the average closing cost of a professional medical liability claim was $4,500 in Northern California, and $5,800 in Southern California. Today, it is estimated that average closing costs for both areas are between $7,000 and $8,000. And, according to the Los Angeles Times, "it is not uncommon for doctors who have had recent claims against them to pay $12,000 to $20,000 a year in premiums." (January 7, 1975, p. 13, Col. 3).

These spiraling costs make the provision of health care one of the most expensively spiraling services in our already inflationary economy. It is, of course, no answer to say that these costs are absorbed by passage onto health care consumers, for that is simply another way of saying that those who become ill, and who are generally the least able to bear economic hardship, must bear the heaviest cost burden. Moreover, a significant segment of the patients who must assume these additional costs are Medicare and Medicaid (Medi-Cal) beneficiaries; so it is ultimately the already overstrapped taxpayer who must pick up the tab for a runaway system of professional liability compensation. Yet both the federal Administration and the new state administration have made it clear that government spending is to be limited and, on the federal level, future price controls may even be implemented. So we cannot be too sanguine in an inflationary economy about the government paying for additional health care costs caused by more and larger medical malpractice awards.

What, then, do we do? To do nothing is to invite disaster. If the present developments continue unabated, either doctors will be forced out of practice due to the inability to obtain coverage or patients will be priced out of the health care market.

The only acceptable alternative is that we act responsibly to harness the learned behavior of a professional liability compensation system that has, under the present circumstances, outlived its usefulness.

III. WHY HAVE MEDICAL MALPRACTICE CLAIMS INCREASED?

To be sure, we cannot come to grips with the "malpractice crisis" unless we know its causes. Even then, we must recognize that understanding the reasons for this current crisis, while necessary for any solution, is not sufficient in itself to guarantee a solution. Fortunately, as the Assembly Select Committee on Medical Malpractice found, there is at least general agreement as to the principal causes for the present malpractice crisis.

Few contend, for example, that the general quality of health care we receive has declined in the past few years. Hence the paradoxical question: Why have more malpractice claims been filed when the quality of health care is better now than ever before? We know of several reasons explaining this phenomenon, though the relative weight or importance to be afforded each of these is unclear.

The changing doctor-patient relationship

There is a myth about the doctor-patient relationship which is nurtured in our folklore and popularized by the electronic media. Those who have watched "Marcus Welby" or "Medical Center" on television can perhaps appreciate this popular mythology. Is it any wonder that patients who have been fed a steady diet of these programs over the years should be disappointed when their physician does not take the time to discuss with them their intimate family and personal problems, does not greet them on a first-name basis and socialize with them as an equal? Yet specialization, urbanization, the shortage of physicians, and an increased consumer demand have all made the doctor-patient relationship, like most other relationships between professionals and those they serve, highly technical and depersonalized. Accordingly, when the medical results are not what a patient anticipates, or even hopes for, the doctor is more easily blamed by that patient and a malpractice claim more likely to be filed than if the patient and the doctor related to each other the way Marcus Welby and his patients do.

Impact of the media

The media does more than to promote false expectations in patients about the relationships they have with their doctors. It also reports, often in fairly dramatic terms, discoveries in medical technology. Consequently, health care consumers have high expectations concerning the near-miraculous powers of modern medicine. They are also made aware of malpractice litigation, especially of the huge sums claimed, and on occasions, awarded to litigant. Thus, when a patient's expectations are not fulfilled, regardless of the real reason, it is understandable that filing a malpractice claim against the doctor or health care provider would cross the patient's mind.

The legal rights explosion

Ours has become an increasingly litigious society.

Legal commentators have noted what is aptly termed the "legal rights explosion," a phenomenon due to a growing feeling among the citizenry that they not only have newly perceived rights, but that these rights can and should be enforced by litigation if necessary. This is borne out by the surprising statistic that the rise in civil actions in general in California courts has quite surprisingly exceeded the rise in malpractice claims filed for the same period. This willingness of the citizens to go to court to obtain redress is also obviously related to the frequently noted feeling of alienation and powerlessness amongst people, a feeling that there

* Congressman, Twenty-Fourth Congressional District, California; former Chairman of the Assembly Health Committee (1973–74), and the Assembly Select Committee on Medical Malpractice (1973–74), California State Legislature. The views expressed herein are my own, but much of the information and analysis which helped form these views came from many long conversations with two personal friends and colleagues who also share my intense interest in professional liability: Assemblyman Howard L. Berman, Chairman of the Assembly Select Committee on Medical Malpractice, California State Legislature, and Fred J. Hiestand, Consultant to the Select Committee and author of the Committee's Preliminary Report on Medical Malpractice (June, 1974).

is no likely redress unless one gets his own "hired gun" in the form of a lawyer and challenges the offending party to a duel in court.

Sophistication of trial lawyers

A larger number of trial lawyers are becoming more proficient in recognizing and litigating malpractice claims. The prospect of sizeable contingency fees—generally between 25% to 40% of the award or settlement—has probably enhanced this interest and expertise. So, perhaps has the push for no-fault auto insurance and the general glut of jobless attorneys in the marketplace. Lawyers are well aware that the once-existing "conspiracy of silence" has now been unzipped; and that with sufficient capital and expertise all one has to do is establish a reputation to attract injured patients and make a modest fortune.

Changing legal doctrines

Conceptual expansion, primarily by the judiciary, of certain legal doctrines has widened the scope of malpractice liability. Indeed, in some ways the practice of medicine almost approaches the strict liability standards imposed on other activities by the law. Medical malpractice, however, still pays lipservice to the negligence standard, perhaps because an unabashed embrace of a no-fault strict liability compensation scheme, while it would conform to our evolving notions of decency that injured people should be compensated and cared for, would also pick our already thin pockets clean. To illustrate this contradiction between a purported negligence standard and an often-sought strict liability result, one only has to cite the changes in the evolution of the locality rules, the doctrine of res ipso loquitor, informed consent, and the collateral source rule.

IV. WHERE DO WE GO FROM HERE?

These, then are the major reasons for the rise in malpractice claims. Any proposals to reduce the frequency of claims must, if they are to be effective, take these reasons into account. Legislation is, of course, one means perhaps the most effective, to deal with the malpractice problem; but, though I intend to discuss legislative proposals with you, it is important not to lose sight of the voluntary actions that could help achieve the same goal.

A. Voluntary reform

An obvious voluntary reform that would, for instance, have far-reaching impact on the volume of malpractice litigation to be filed would be for physicians to get to know their patients better as people instead of simply patients. This is not a criticism directed only at doctors; it applies equally to lawyers, social workers, health care professionals and even legislators. Nor is it a suggestion easily followed, or even morally right were it to be followed. Is it better for a doctor to spend more time with fewer patients than to competently attend to a larger number of patients desiring and in need of medical care? The only sure answer to this question is that it is probably better for a doctor to spend more time with fewer patients if he wants to minimize or prevent malpractice claims being filed against him.

Physicians should, of course, continue and strengthen their excellent efforts at peer review and continuing education. We know from scores of witnesses who testified before the Select Committee that the Board of Medical Examiners simply cannot police those few doctors who may fall behind in current medical knowledge and techniques. In fact, the Board of Medical Examiners, as it presently operates, has practically defaulted to the profession when it comes to detecting and correcting doctors whose professional standards of practice are no longer what they should be.

Another voluntary action that reduces malpractice liability is for physicians to generously avail themselves of professional consultants. The desire to "go it alone" is not, of course, peculiar to doctors. Yet the consequences of making a mistake while "going it alone" are qualitatively different for doctors than for most other professionals.

The HEW Commission Report on Medical Malpractice made a recommendation that would significantly contribute to the reduction or arrest of malpractice claims: that insurance carriers cooperate with medical societies in presenting programs for injury prevention. Insurance companies have the claims profiles; they know the kind of problems that are most common and, when this information is shared with physicians, seminars can be arranged to educate medical practitioners and prevent recurring mistakes.

B. Legislative reform

As a Member of the House Commerce and Health Committee I, will, of course, work actively to obviate the malpractice crisis. It is now clear that the problems with which you are so familiar, and which I have outlined, do not confine themselves to California; Congressional action is needed. Nonetheless, for the immediate short run, we will have to look to state legislators for relief; so I will confine my remarks to what has happened, and what may be expected to happen, in the California Legislature with respect to medical malpractice.

1. The 1973–74 California Legislative Session

This past year I authored a number of bills intended to stem the tide of rising malpractice claims. Several of these are now law.

AB 4467, for example, requires that when a medical malpractice lawsuit is filed, no stated amount of damages is to be included in the prayer for relief. (Cal. C.C.P. § 425.10) This will hopefully minimize the sensational headlines that appear when a lawsuit for malpractice is filed claiming damages in astronomical sums. The Assembly Select Committee found that in the vast majority of these cases, the doctor was found innocent of negligence or the damages eventually awarded the injured patient were much smaller than claimed. But the media rarely gives equal attention to such anti-climactic end results, and the sued doctor's patients and colleagues still remember him for the initial bad publicity.

AB 4469 gives clearer authority to the Board of Medical examiners to discipline physicians of proven "incompetence." The earlier law restricted the Board to disciplining doctors for "gross incompetence," which in practice meant that the Board was quite impotent and consumer complaints that might have been handled on the administrative level instead ended in litigation.

Finally, AB 4474 eliminates the ridiculous, at least as it was interpreted by some, requirement that an attorney must state his intention to file an action against a doctor before the doctor turns over to him medical records concerning the patient-client.

Other bills I introduced last year, which may be reintroduced this Session by other members of the Select Committee on Medical Malpractice, would provide for a consumer complaint center in hospitals, an arbitration mechanism for malpractice claims under $10,000 (one friend of the medical profession half-jokingly suggested that if this one becomes law, we add a technical amendment the following year—a zero to the dollar figure), and the restructuring of the Board of Medical Examiners so that licensing and disciplinary functions are split between two independent boards, both with full-time paid members.

2. The 1975 California Legislative Session

What the Legislature did last year to alleviate the problems associated with medical malpractice, while helpful, was too little, too late. I can say that clearly now because of the present crisis and the benefit of hindsight; it was not that clear to any of us last year. Now we must forge a legislative program that will avert the catastrophe that is looming and further the public interest.

I cannot give you a blueprint for that legislative program, but I can share with you the proposals that are now under intense discussion.

a. Establishment of a statutory screening mechanism for malpractice cases

At the November 8, 1974, hearing of the Assembly Select Committee on Medical Malpractice we were urged by the California Attorney General to establish a screening panel for medical malpractice claims. The panel is to be comprised of a judge, a doctor and a lawyer. All malpractice suits filed in Superior Court would first go to the panel where an informal hearing, without a record, is held.

No statement or expression of opinion made in the course of the hearing is to be admitted as evidence in any trial of the action, either as an admission or otherwise. If a disposition is agreed upon following presentation and discussion between the panel and counsel, an appropriate order may be entered by the judge on the panel. A 1971 pilot study in Manhattan of just such a program resulted in successful disposition of some 30% of all cases brought before it. The Select Committee on Medical Malpractice, is now carefully considering the introduction of a bill that would incorporate these same features.

b. Arbitration

So long as medical services, current or future, are secured by private contract, the bargain may of course include a clause which calls for arbitration of controversies arising from the relationship. California has an arbitration statute and the Ross-Loos Medical Group of Los Angeles, several hospitals in the California Hospital Association, and the Kaiser Foundation Health Plan all include binding arbitration clauses in their contracts to render medical and hospital services to patients. I understand that these plans have worked quite well, but am surprised that the medical profession has not given more encouragement to its members to enter into binding arbitration agreements with their patients. The procedure is informal, comparatively private, and economical in terms of time and money. The scope of appeal is sharply limited. Textbook evidence is permitted. All of these features would seem to commend arbitration to the medical profession and patients, and suggest that the Legislature should seriously consider requiring all medical malpractice claims to be submitted to arbitration. Thus, public policy would imply an obligatory arbitration clause in every contract of admission to a hospital and every contract between a doctor and patient for the rendition of medical services. To be sure, there are concerns about the wisdom and viability of arbitration; many of these were raised by the concurring views of Assemblyman Howard L. Berman in The Preliminary Report of the Assembly Select Committee on Medical Malpractice. On balance, however, the advantages of arbitration, particularly in the context of present circumstances, appear to me to outweigh the risks.

3. No-Fault Insurance

The popularity of no-fault automobile accident insurance has its correlative support in professional liability. Some proposed schemes for no-fault in medical malpractice are, unfortunately, not true no-fault systems at all, but rather non-compensation schemes disguised by a label. This is especially true of those proposals conditioning payment to the injured on proof of gross negligence, the

absence of informed consent and medical intervention not within the accepted risk of procedure.

On the other hand, the HEW Commission Report on Medical Malpractice concluded that the feasibility of a true no-fault system be studied further by both the federal government and the states as there appear to be two significant problems to the implementation of such a system.

First, it is difficult to determine what would constitute a "compensable event" under a no-fault system—i.e., the point at which medical intervention causing the injury occurs. To illustrate, assume a patient has a heart condition which is difficult to diagnose. Under a no-fault system, would the patient be compensated if (a) he went to a hospital, suffered a cardiac arrest and died while being treated; or (b) he went to a hospital, was given a complete physical, and then sent home where he died the same night; or (c) he never went to the hospital but suffered a cardiac arrest and died? If the answer is all of these, then we're simply talking about comprehensive national or state health insurance for the citizenry. Certainly the enactment of such legislation, along perhaps with abolition of the collateral source rule of damages, would eliminate the problems associated with our present compensation scheme for medical malpractice. Yet national health insurance is still opposed by organized medicine, would be exorbitantly costly, and is not likely to be enacted in time to avert the present crisis.

If compensation under a proposed no-fault system is to apply only where there is medical intervention that causes the injury to the patient, then determining that point involves a process not so different from determining if there was negligence. So we are thrown back to choosing the procedural mechanism to be employed for showing the point of "medical intervention." See Rubsamen, "No-Fault Liability for Adverse Medical Results: Is It a Reasonable Alternative to the Present Tort System," 117 California Medicine 78 (July 1972).

4. Enactment of a Professional Liability Compensation Appeals Board

This approach is modeled on the present Workmen's Compensation Appeals Board experience. It has already been introduced in Indiana, though has not been enacted in any state to cover professional liability claims. An administrative board is appointed to hear claims of medical malpractice and, if negligence is proven, make awards based upon a schedule of damages for various injuries. Hearings are more informal than in court. This Board is theoretically to consist of experts in medicine and law, not lay juries. There is a right of appeal of court if a party is dissatisfied with the Board's judgment, but the "substantial evidence" test applies so that few appeals will result in reversals. Attorneys fees are also governed by a sliding schedule—the greater the award in damages, the smaller percentage of that award constitutes the attorney's fee. The California medical profession is showing keen interest in this approach, and we can expect the Legislature to seriously consider it.

V. CONCLUSION

These proposals illustrate, but do not exhaust, the many reforms now being considered by the California Legislature, particularly the Assembly Select Committee on Medical Malpractice. Less sweeping reforms—such as an assigned risk professional liability insurance law, the establishment of a sliding contingency fee schedule for attorneys as has been adopted by New Jersey, and funding for economic loss and damages as well as medical expenses for the injured patient—will also be carefully examined by the Legislature. All proposals have potential and, of necessity, problems. Some are in conflict with others. None are panaceas and we have no guarantees that any will better serve the public interest than the present non-system which has brought us to the brink of disaster. In short, we know we're in trouble, and understand why, but are not certain how to bail ourselves out. Your support and understanding are crucial to whether we succeed, for only with that support will the Legislature retain the flexibility to try different solutions and thereby, hopefully, discover the ones that work best.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. BAFALIS (at the request of Mr. MICHEL), for today, on account of official business.

Mr. BURKE of Florida (at the request of Mr. ANDERSON of Illinois), for Monday, March 17, 1975, on account of official business.

Mr. CORMAN (at his own request), for today, on account of official business.

Mr. HELSTOSKI (at the request of Mr. O'NEILL), for today, on account of official business.

Mr. MCKAY (at the request of Mr. O'NEILL), for today, on account of a death in the family.

Mr. SKUBITZ (at the request of Mr. MICHEL), from 5 p.m. today through April 7, on account of official business.

Mr. THOMPSON (at the request of Mr. O'NEILL), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. NOLAN, for 5 minutes, today, to revise and extend his remarks and include extraneous material.

(The following Members (at the request of Mr. BURGENER) to revise and extend their remarks and include extraneous material:)

Mr. MILLER of Ohio, for 5 minutes, today.

Mr. EDWARDS of Alabama, for 10 minutes, today.

Mr. ASHBROOK, for 15 minutes, today.

Mr. YOUNG of Florida, for 5 minutes, today.

Mr. YOUNG of Alaska, for 5 minutes, today.

(The following Members (at the request of Mr. BRODHEAD) to revise and extend their remarks and include extraneous matter:)

Mr. GONZALEZ, for 15 minutes, today.
Mr. MATSUNAGA, for 30 minutes, today.
Mr. BRINKLEY, for 30 minutes, today.
Mr. VANIK, for 15 minutes, today.
Mr. PATMAN, for 30 minutes, today.
Mr. REUSS, for 10 minutes, today.
Mr. REUSS, for 5 minutes, on March 17.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. WAMPLER, and to revise and extend his remarks during debate on House Resolution 304 today.

Mr. SKUBITZ, and to revise and extend his remarks following the remarks of Mrs. MINK during general debate in the Committee of the Whole today.

(The following Members (at the request of Mr. BURGENER) and to include extraneous matter:)

Mr. FREY.
Mr. PEYSER in two instances.
Mr. MCCLOSKEY in two instances.
Mr. DERWINSKI in two instances.
Mr. WHITEHURST.
Mr. KETCHUM in two instances.
Mr. BIESTER in two instances.
Mr. ROBERT W. DANIEL, JR.
Mr. LAGOMARSINO.
Mr. ARMSTRONG in two instances.
Mr. FINDLEY in five instances.
Mr. BAUMAN in 10 instances.
Mr. GILMAN.
Mr. SARASIN.
Mr. RUPPE.
Mr. YOUNG of Florida.
Mr. MARTIN.
Mr. SHRIVER.
Mr. FISH.
Mr. BUCHANAN.
Mr. CARTER.

(The following Members (at the request of Mr. BRODHEAD), and to include extraneous matter:)

Mr. MILLER of California.
Mr. CHAPPELL in five instances.
Mr. HICKS.
Mr. MCDONALD of Georgia in 10 instances.
Mr. BOLLING.
Mr. SEIBERLING in 10 instances.
Mr. GONZALEZ in three instances.
Mr. ANDERSON of California in three instances.
Mr. HAMILTON.
Mr. ZEFERETTI in 10 instances.
Mr. RANGEL in three instances.
Mr. HUBBARD.
Mr. DINGELL.
Mrs. BURKE of California in two instances.
Mr. ASPIN.
Mr. ENGLISH.
Mr. OBEY in two instances.
Mr. HIGHTOWER.
Mr. GAYDOS.
Mrs. SCHROEDER.
Mr. REES.
Mrs. KEYS.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 331. An act to redesignate November 11 of each year as Veterans Day and to make such day a legal public holiday; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. RONCALIO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 5 minutes p.m.), under its previous order, the House adjourned until Monday, March 17, 1975, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

569. A letter from the Secretary of the Navy transmitting a report on the progress of the Naval Reserve Officers Training Corps flight training program for fiscal year 1974, pursuant to 10 U.S.C. 2110(b); to the Committee on Armed Services.

570. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing); transmitting a report on the design and construction supervision, inspection, and overhead fees charged by the construction agents for the military construction projects of the military departments and defense agencies during fiscal year 1973, pursuant to section 604 of Public Law 93-166; to the Committee on Armed Services.

571. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing), transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken for the Army Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

572. A letter from the Deputy Assistant Secretary of Defense (Installations and Housing); transmitting notice of the location, nature, and estimated cost of various construction projects proposed to be undertaken for the Naval and Marine Corps Reserve, pursuant to 10 U.S.C. 2233a(1); to the Committee on Armed Services.

573. A letter from the Chairman, Council of the District of Columbia, transmitting copies of two acts adopted by the Council, No. 1-2, the "Zoning Commission and Board of Zoning Adjustment Compensation Act," and No. 1-3, an act "To amend the District of Columbia Unemployment Compensation Act," pursuant to section 602(c) of Public Law 93-198; to the Committee on the District of Columbia.

574. A letter from the Comptroller Defense Security Assistance Agency, transmitting notice of the intention of the Department of the Army to offer to sell certain defense articles to Iran, pursuant to section 36(b) of the Foreign Military Sales Act, as amended; to the Committee on Foreign Affairs.

575. A letter from the Attorney General, transmitting a draft of proposed legislation to remove the limitation on payments for consultant services in the Community Relations Service; to the Committee on the Judiciary.

576. A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting copies of orders entered in cases in which the authority contained in section 212(d)(3) of the Immigration and Nationality Act was exercised in behalf of certain aliens, together with a list of the persons involved, pursuant in section 212(d)(6) of the act [8 U.S.C. 1182(d)(6)]; to the Committee on the Judiciary.

RECEIVED FROM THE COMPTROLLER GENERAL

577. A letter from the Comptroller General of the United States, transmitting a list of reports issued or released by the General Accounting Office during February 1975, pursuant to section 234 of Public Law 91-510; 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. FOLEY: Committee on Agriculture. A supplemental report on H.R. 4296. A bill to adjust target prices, loan and purchase levels on the 1975 crops of upland cotton, corn, wheat, and soybeans, to provide price support for milk at 85 percent of parity with quarterly adjustments for the period ending March 31, 1976, and for other purposes. (Rept. No. 94-54). Referred to the Committee of the Whole House on the State of the Union.

Mr. REUSS: Committee on Banking, Currency and Housing. H.R. 2783. A bill to continue the national insurance development program by extending the present termination date of the program to April 30, 1980, and by extending the present date by which a plan for the liquidation and termination of the reinsurance and direct insurance programs is to be submitted to the Congress to April 30, 1983; with amendment (Rept. No. 94-60). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on Government Operations. A report on the oversight plans of the standing committees of the House of Representatives (Rept. No. 94-61). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE: Committee on Science and Technology. H.R. 37. A bill to authorize appropriations to carry out the Standard Reference Data Act (Rept. No. 94-62). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE: Committee on Science and Technology. H.R. 4700. A bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, construction of facilities, and research and program management, and for other purposes (Rept. No. 94-63). Referred to the Committee on the Whole House on the State of the Union.

Mr. REUSS. Committee on Banking, Currency and Housing. H.R. 4485. A bill to provide for greater homeownership opportunities for middle-income families and to encourage more efficient use of land and energy resources; with amendment (Rept. No. 94-64). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 4035. A bill to provide for more effective congressional review of administrative actions which exempt petroleum products from the Emergency Petroleum Allocation Act of 1973, or which result in a major increase in the price of domestic crude oil; and to provide for an interim extension of certain expiring energy authorities; with amendment (Rept. No. 94-65). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE: Committee on Science and Technology. H.R. 4723. A bill authorizing appropriations to the National Science Foundation for fiscal year 1976 (Rept. No. 94-66). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 3922. A bill to amend the Older Americans Act of 1965 to extend the authorizations of appropriations contained in such act, and for other purposes; with amendment (Rept. No. 94-67). Referred to the Committee of the Whole House on the State of the Union.

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. ARCHER (for himself, Mr. BUCHANAN, Mr. BLANCHARD, and Ms. SCHROEDER):

H.R. 4943. A bill to amend title 44, United States Code, to strengthen the authority of the Administrator of General Services with respect to records management by Federal agencies, and for other purposes; to the Committee on Government Operations.

By Mr. ARCHER (for himself, Mr. THONE, Mr. MCCOLLISTER, and Mr. CLEVELAND):

H.R. 4944. A bill to amend the Internal Revenue Code of 1954 to increase the corporate surtax exemption; to the Committee on Ways and Means.

By Mr. ASPIN (for himself, Ms. ABZUG, Mr. BADILLO, Mr. EDGAR, Mr. EDWARDS of California, Mr. FASCELL, Mr. FISH, Mr. HANNAFORD, Mr. HARRINGTON, Mr. HAWKINS, Mr. HECHLER, of West Virginia, Ms. HOLTZMAN, Mr. HUBBARD, Mr. KOCH, Mr. MOAKLEY, Mr. MOORHEAD of Pennsylvania, Mr. MOTTL, Mr. NEAL, Mr. OTTINGER, and Mr. PATTISON of New York):

H.R. 4945. A bill to prohibit the licensing of certain activities regarding plutonium until expressly authorized by Congress, and to provide for a comprehensive study of plutonium recycling; to the Joint Committee on Atomic Energy.

By Mr. ASPIN (for himself, Mr. ROSENTHAL, Mr. ROYBAL, Mr. SARBANES, Mrs. SCHROEDER, Mr. SEIBERLING, Mr. SOLARZ, Mr. STARK, Mr. TSONGAS, Mr. VANDER VEEN, and Mr. WAXMAN):

H.R. 4946. A bill to prohibit the licensing of certain activities regarding plutonium until expressly authorized by Congress, and to provide for a comprehensive study of plutonium recycling; to the Joint Committee on Atomic Energy.

By Mr. PHILLIP BURTON:

H.R. 4947. A bill to provide Federal programs of educational, employment, and other assistance to areas with heavy concentrations of foreign-born persons; to the Committee on Education and Labor.

By Mr. CHAPPELL (for himself, Mrs. SCHRODER, and Mr. LEHMAN):

H.R. 4948. A bill to amend title 13 of the United States Code to require the compilation of current data on total population between censuses and to require the use of such current data in the administration of Federal laws in which population is a factor; to the Committee on Post Office and Civil Service.

By Mr. COHEN (for himself, Mr. BURKE of Massachusetts, Mr. MCKINNEY, Mr. MOORE, and Mr. CHARLES H. WILSON of California):

H.R. 4949. A bill to provide income tax incentives for the modification of certain facilities so as to remove architectural and transportational barriers to the elderly and handicapped; to the Committee on Ways and Means.

By Mr. COHEN (for himself, Mr. MCKINNEY, Mr. WOLFF, Mr. BIESTER, and Mr. BINGHAM):

H.R. 4950. A bill to amend the Social Security Act to direct the Secretary of Health, Education, and Welfare to develop standards relating to the rights of patients in certain medical facilities; jointly to the Committees on Ways and Means, and Interstate and Foreign Commerce.

By Mr. CRANE (for himself, Mr. HYDE, Mrs. HOLT, Mr. BROOMFIELD, Mr. MITCHELL of Maryland, Mr. CHARLES WILSON of Texas, Mr. EDGAR, Mr. MOORHEAD of California, Mr. KEMP and Mr. MCDONALD of Georgia):

H.R. 4951. A bill to amend title 39, United States Code, to eliminate certain provisions relating to private carriage of letters, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. EVANS of Colorado:

H.R. 4952. A bill to amend the Federal Environmental Pesticide Control Act of 1972, and for other purposes; to the Committee on Agriculture.

By Mr. JOHNSON of Pennsylvania:

H.R. 4953. A bill to amend the Internal Revenue Code of 1954 to increase the exemption for purposes of the Federal estate tax, to increase the estate tax marital deduction, and to provide an alternate method of valuing certain real property for estate tax purposes; to the Committee on Ways and Means.

By Mr. MATSUNAGA:

H.R. 4954. A bill to amend the Federal Water Pollution Control Act relating to the discharge of pollutants into ocean waters; to the Committee on Public Works and Transportation.

By Mr. OTTINGER:

H.R. 4955. A bill to prohibit the production and procurement by any agency of the United States of any delivery system designed to diseminate any binary-type chemical warfare agent; to the Committee on Armed Services.

By Mr. OTTINGER (for himself, Mr. MITCHELL of Maryland, Mr. LLOYD of California, Mr. ST GERMAIN, and Mr. DIGGS):

H.R. 4956. A bill to amend title II of the Social Security Act to provide that any fully insured individual may qualify for disability insurance benefits and the disability freeze if he has 40 quarters of coverage, regardless of when such quarters were earned, even if he does not have 20 quarters of coverage during the 40-quarter period immediately preceding his disability; to the Committee on Ways and Means.

By Mr. MOLLOHAN (for himself, Mr. BAUCUS, Mr BREAUX, Mr. BROWN of California, Mr. BROWN of Michigan, Mr. FUQUA, Mr. GILMAN, Mr. HANNAFORD, Mr. MELCHER, Mr. NIX, Mr. PATTISON of New York, Mr. SISK, and Mr. WON PAT):

H.R. 4957. A bill to amend the Comprehensive Employment and Training Act of 1973 to provide that a unit of general local government having a population of 50,000 or more shall be eligible to be a prime sponsor; to the Committee on Education and Labor.

By Mr. PERKINS:

H.R. 4958. A bill to impose a tax on the severance of oil, gas, and coal, and to return the proceeds of such tax to the counties from which such oil, gas, or coal was taken; to the Committee on Ways and Means.

By Mr. RANGEL:

H.R. 4959. A bill to amend the Social Security Act to make certain that recipients of aid or assistance under the various Federal-State public assistance and medicaid programs (and recipients of assistance under the veterans' pension and compensation programs or any other Federal or federally assisted program) will not have the amount of such aid or assistance reduced because of increases in monthly social security benefits; to the Committee on Ways and Means.

H.R. 4960. A bill to amend titles I, X, XIV and XVI of the Social Security Act so as to permit Federal reimbursement to States for two-party payments under the programs of aid or assistance for the aged, the blind, and the disabled in the same way as is presently permitted under the program of aid to families with dependent children; to the Committee on Ways and Means.

By Mr. SKUBITZ:

H.R. 4961. A bill to change the name of the Big Hill Lake, Kans., to the Clyde M. Reed Lake; to the Committee on Public Works and Transportation.

H.R. 4962. A bill to change the name of the Elk City Lake, Kans., to the Meyer-George Lake; to the Committee on Public Works and Transportation.

H.R. 4963. A bill to change the name of the Cheney Reservoir, Kans., to the Shoeppel-Rees Lake; to the Committee on Public Works and Transportation.

By Mrs. SULLIVAN (for herself, Mr. DINGELL, Mr. DOWNING, Mr. ROBERT W. DANIELS, JR., Mr. MURPHY of New York, Mr. JONES of North Carolina, Mr. ANDERSON of California, Mr. DE LA GARZA, Mr. METCALFE, Mr. BREAUX, Mr. ROONEY, Mr. STUDDS, Mr. BOWEN, Mr. EILBERG, Mr. DE LUGO, Mr. ZEFERETTI, Mr. OBERSTAR, Mr. AUCOIN, and Mr. FORSYTHE):

H.R. 4964. A bill to amend the Merchant Marine Act, 1920, to establish a grant program to enable public ports to comply with certain Federal standards, to direct the Secretary of Commerce to undertake a comprehensive study of the present and future needs of public ports in the United States, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. WON PAT:

H.R. 4965. A bill for the amendment of the Copyright Law, title 17 of the United States Code; to the Committee on the Judiciary.

By Mr. YOUNG of Florida:

H.R. 4966. A bill to amend title II of the Social Security Act to provide that a beneficiary shall (if otherwise qualified) be entitled to a prorated benefit for the month in which he (or the insured individual) dies; to the Committee on Ways and Means.

By Mr. BINGHAM (for himself, Mr. BONKER, Mr. FRASER, Mr. TAYLOR of North Carolina, and Mr. WHALEN):

H.R. 4967. A bill to amend the Export Administration Act of 1969; to the Committee on Foreign Affairs.

By Mr. BURKE of Massachusetts (for himself, Mrs. CHISHOLM, Mr. CLAY, Mr. D'AMOURS, Mr. DANIELSON, Mr. DENT, Mr. DIGGS, Mr. DOWNEY, Mr. EDGAR, Mr. EVANS of Indiana, Mr. FLOOD, Mr. FORD of Michigan, Mr. GREEN, Mr. HANNAFORD, Mr. HOWARD, Miss JORDAN, Mrs. KEYS, Mr. LLOYD of California, Mr. METCALFE, Mr. SCHEUER, Mr. TRAXLER, Mr. UDALL, Mr. WIRTH, Mr. WOLFF, and Mr. WON PAT):

H.R. 4968. A bill to amend the Social Security Act and the Internal Revenue Code of 1954 to provide for Federal participation in the costs of the social security program, with a substantial increase in the contribution and benefit base and with appropriate reductions in social security taxes to reflect the Federal Government's participation in such costs; to the Committee on Ways and Means.

By Mr. DOWNING:

H.R. 4969. A bill to amend title 5, United States Code, to correct inequities in the determination of rates of basic pay in conversions to the General Schedule of employees and positions subject to prevailing rate pay schedules; to the Committee on Post Office and Civil Service.

By Mr. FINDLEY (for himself and Mr. O'BRIEN):

H.R. 4970. A bill to amend the Agriculture and Consumer Protection Act of 1973, as amended, for the purpose of terminating the requirements for the prior approval of the export sales of agricultural commodities; to the Committee on Agriculture.

By Mr. FISH (for himself and Mr. PATTISON of New York):

H.R. 4971. A bill to terminate the granting of construction licenses of nuclear fission powerplants in the United States pending action by the Congress following a comprehensive 5-year study of the nuclear fuel cycle, with particular reference to its safety and environmental hazards, to be conducted by the Office of Technology Assessment, and for other purposes; to the Joint Committee on Atomic Energy.

Mr. HANSEN (for himself and Mr. SYMMS):

H.R. 4972. A bill to exempt range sheep industry mobile housing from regulations affecting permanent housing for agricultural workers; to the Committee on Education and Labor.

By Mr. MANN:

H.R. 4973. A bill to amend the Wild and Scenic Rivers Act by designating the Chauga River in the State of South Carolina for potential addition to the National Wild and Scenic Rivers System; to the Committee on Interior and Insular Affairs.

By Mr. ROE:

H.R. 4974. A bill to amend the National School Lunch and Child Nutrition Acts in order to extend and revise the special food service program for children, the special supplemental food program, and the school breakfast program, and for other purposes related to strengthening the school lunch and child nutrition programs; to the Committee on Education and Labor.

By ROONEY (for himself, Mr. FLORIO, Mr. SKUBITZ, and Mr. HASTINGS):

H.R. 4975. A bill to amend the Rail Passenger Service Act to provide financial assistance to the National Railroad Passenger Corporation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RUPPE:

H.R. 4976. A bill to amend the Internal Revenue Code of 1954 to repeal the excise tax on trucks, buses, and tractors and parts and accessories for such vehicles; to the Committee on Ways and Means.

By Mrs. SCHROEDER:

H.R. 4977. A bill to amend the Clean Air Act to provide for more effective motor vehicle emissions controls at high altitudes, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. STAGGERS:

H.R. 4978. A bill to amend the Federal Trade Commission Act to provide that under certain circumstances exclusive territorial arrangements shall not be deemed per se unlawful; to the Committee on Interstate and Foreign Commerce.

By Mr. STEED:

H.R. 4979. A bill to establish the Chickasaw National Recreation Area in the State of Oklahoma, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SYMINGTON (for himself, Mr. CONTE, Mr. DOMINICK V. DANIELS, Mr. HAWKINS, Mrs. HECKLER of Massachusetts, and Mr. SOLARZ):

H.R. 4980. A bill to designate the birthday of Susan B. Anthony, as a legal public holiday; to the Committee on Post Office and Civil Service.

By Mr. THOMPSON:

H.R. 4981. A bill to amend part D of title IV of the Higher Education Act of 1965 to provide employment positions for students in cooperative education programs under such part in offices of the Congress; to the Committee on Education and Labor.

By Mr. VANDER JAGT:

H.R. 4982. A bill for the establishment of the Commission on Organization of the Executive Office of the President; to the Committee on Government Operations.

H.R. 4983. A bill to amend the Public Health Service Act to direct the Secretary of Health, Education, and Welfare to study the feasibility of broadening the purposes of the Uniformed Services University of the Health Sciences to train civilian physicians to serve in medically underserved areas; to the Committee on Interstate and Foreign Commerce.

H.R. 4984. A bill to direct the National Academy of Sciences to conduct a study to determine if the requirements of the Federal Food, Drug, and Cosmetic Act respecting residues in meat and other foods may safely be revised because of technological

advances in the measurement of such residues is meat or other food; to the Committee on Interstate and Foreign Commerce.

H.R. 4985. A bill to establish a contiguous fishery zone (200-mile limit) beyond the territorial sea of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. WHITE:

H.R. 4986. A bill to amend title 5, United States Code, with respect to the retirement of customs and immigration inspectors, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. YOUNG of Alaska:

H.R. 4987. A bill to amend the Alaska Native Claims Settlement Act to continue the authority of the Joint Federal-State Land Use Planning Commission for Alaska until June 30, 1979; to the Committee on Interior and Insular Affairs.

H.R. 4988. A bill to revise retirement benefits for certain employees of the Bureau of Indian Affairs and the Indian Health Service not entitled to Indian preference, provide greater opportunity for advancement and employment of Indians, and for other purposes; to the Committee on Post Office and Civil Service.

By Mrs. BURKE of California:

H.R. 4989. A bill to establish a Federal Office of Construction to provide liaison and coordination between the Federal Government and the various components of the construction industry for the purpose of insuring the maintenance, enhancement, growth, and support of an economically viable U.S. construction industry; to the Committee on Government Operations.

By Mrs. COLLINS of Illinois:

H.R. 4990. A bill to amend the Truth in Lending Act to require lenders to post current interest rates charged for various categories of loans to consumers; to the Committee on Banking, Currency and Housing.

H.R. 4991. A bill to amend the Public Works and Economic Development Act of 1965, as amended, to establish an emergency Federal economic assistance program, to authorize the President to declare communities of the Nation which meet certain economic and employment criteria to be economic disaster communities, and for other purposes; jointly to the Committees on Public Works and Transportation, and Banking, Currency and Housing.

By Mr. ASPIN:

H.J. Res. 323. Joint resolution to create a select joint committee to conduct an investigation and study into methods of significantly simplifying Federal income tax return forms; to the Committee on Rules.

By Mr. GILMAN:

H.J. Res. 324. Joint resolution calling for peace in Northern Ireland and the establishment of a United Ireland; to the Committee on Foreign Affairs.

By Mr. VANDER JAGT:

H.J. Res. 325. Joint resolution proposing an amendment to the Constitution of the United States relating to the election of the President and Vice President; to the Committee on the Judiciary.

H.J. Res. 326. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. BOB WILSON:

H.J. Res. 327. Joint resolution designating the second Sunday in June of each year as National Pet Memorial Day; to the Committee on Post Office and Civil Service.

By Mr. KETCHUM:

H. Res. 312. Resolution creating a select committee to conduct an investigation and study of the fate of the missing in action and prisoners of war in Vietnam and to make recommendations to the President and Congress of means to obtain an honorable resolution as soon as possible of the missing-in-action and prisoners-of-war problem; to the Committee on Rules.

By Mr. STARK (for himself, Mr. BAUCUS, Mr. BELL, Mr. BROWN of California, Mr. BURGENER, Mr. CORMAN, Mr. ECKHARDT, Mr. ESHLEMAN, Mr. GOLDWATER, Mr. HANNAFORD, Mr. HINSHAW, Mr. MINETA, Mr. MOSS, Mr. ROYBAL, Mr. SISK, Mr. WAXMAN, and Mr. CHARLES H. WILSON of California):

H. Res. 313. Resolution directing the President to provide to the House of Representatives information which the executive branch possesses with respect to the experiences of certain citizens of the United States of America while in the United States of Mexico; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRODHEAD:

H.R. 4992. A bill for the relief of Bogdan Bereznicki; to the Committee on the Judiciary.

By Mr. DUNCAN of Tennessee:

H.R. 4993. A bill for the relief of Raymond L. Wells; to the Committee on the Judiciary.

By Mrs. MINK:

H.R. 4994. A bill to provide for the free entry of a pipe organ for the Lutheran Church, Honolulu, Hawaii; to the Committee on Ways and Means.

By Mr. REES:

H.R. 4995. A bill for the relief of Byong Hi Pak; to the Committee on the Judiciary.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 25

By Mr. BAUCUS:

(Section 508(a)).

Page 232, line 22, a new paragraph "(5)" as follows and renumber all subsequent paragraphs:

"(5) a detailed description of the proposed revegetation plan, including the identification of plant species and appropriate assurances that viable seeds will be available in sufficient quantities to ensure that the proposed revegetation plan will be achieved in compliance with the proposed timetable for reclamation;"

By Mr. EVANS of Colorado:

Beginning on page 238, strike out line 25 and all that follows down through line 6 on page 239 and insert in lieu thereof:

"(A) not adversely affect, or be located within, alluvial valley floors, underlain by unconsolidated stream-laid deposits where farming or ranching can be practiced on irrigated or naturally subirrigated haymeadows, pasturelands, or croplands; or".

"PROTECTION OF WATER RIGHTS

"SEC. 717. (a) In those instances in which it is determined that a proposed surface coal mining operation is likely to adversely affect the hydrologic balance of water on or off site, or diminish the supply or quality of such water, the application for a permit shall include either—

"(1) the written consent of all owners of water rights reasonably anticipated to be affected; or

"(2) evidence of the capability and willingness to provide substitute water supply at least equal in quality, quantity, and duration to the affected water rights of such owners.

"(b)(1) An owner of water rights adversely affected may file a complaint detailing the loss in quantity or quality of his water with the regulatory authority.

"(2) Upon receipt of such complaint the regulatory authority shall—

"(A) investigate such complaint using all available information including the monitoring data gathered pursuant to section 517;

"(B) within 90 days issue a specific written finding as to the cause of the water loss in quantity or quality, if any;

"(C) order the mining operator to replace the water within a reasonable time in like quality, quantity, and duration if the loss is caused by the surface coal mining operations, and require the mining operator to compensate the owner of the water right for any damages he has sustained by reason of said loss; and

"(D) order the suspension of the operator's permit if the operator fails to comply with any order issued pursuant to subparagraph (C)."

By Mr. HECHLER of West Virginia:

Page 210, line 6, strike out "515(b)(19), and 515(d) of this Act," and insert in lieu thereof "and 515(b)(19) of this Act. No such permit shall be issued on or after such date of enactment for surface coal mining operations on a steep slope (as defined in section 515(d)(4)) or on any mountain, ridge, hill, or other geographical configuration which contains such a steep slope."

Page 288, between lines 8 and 9, insert the following:

"(4) the proposed surface coal mining operation does not include mining on any steep slope (as defined in section 515(d)(4)) or on any mountain, ridge, hill, or other geographical configuration which contains such a steep slope."

And redesignate the following paragraphs accordingly.

Page 266, after line 3, insert the following new subsection:

"(4) with respect to underground mines opened after the date of enactment of this Act, to the maximum extent physically and technologically possible and consistent with the safety of miners, incorporate practices of backstowing or returning to mine voids, all mine wastes and coal processing plant tailings;"

And redesignate the following paragraphs accordingly.

Page 256, line 11, after the period, insert the following:

"No coal mine wastes such as coal fines and slimes shall be used as constituent materials in the construction of any coal mine waste dam or impoundment."

Page 267, line 2, after the period, insert the following:

"No coal mine wastes such as coal fines and slimes shall be used as constituent materials in the construction of any coal mine waste dam or impoundment."

Page 336, line 8, insert the following new section:

"SEC. 713. (a) In those instances in which the surface owner is not the owner of the mineral estate, the application for a permit face coal mining operations and the Federal Government is not the owner of said mineral estate, the application for a permit shall include the written consent by the owner or owners of the surface lands involved and any person who holds an interest in such surface including but not limited to the lessees of said surface.

"(b) In those instances where the mineral estate proposed to be mined by the surface mining operations and the surface is owned by the same person and there exists an interest in the surface in the form of lease or permit, the application for a permit shall include the written consent of the permittee or lessee of the surface lands involved to enter and commence surface coal mining operations on such land.

"(c) No owner shall evict a lessee for the purpose of authorizing surface mining without a minimum of one year's notice and without providing just compensation for any improvements of said lessees. If the owner and said lessees are unable to reach just agreement on just compensation, the district court in which the said surface area is located shall have jurisdiction without regard to the amount in controversy or diversity of

citizenship to consider and decide any action filed by lessees to determine such compensation."

Page 263, line 15, after the word "cut", strike all through the word "mat" on line 23, inclusive.

Page 294, line 21, strike the words "boundaries of any national forest" and insert the following: "the National Forest System".

Page 258, line 12, strike subsection (14) inclusive, and insert in lieu thereof the following subsection;

"(14) segregate all acid-forming materials, toxic materials, and materials constituting a fire hazard and promptly bury, cover, compact, and isolate such materials during the mining and reclamation process to prevent contact with ground water systems and to prevent leaching and pollution of surface or subsurface waters."

Page 173, line 14, strike all of subsection (d) and insert therein the following:

"(d) while responsibility for regulation of coal surface mining rests with the States, the absence of effective regulatory laws and effective enforcement in many States may require that the Federal Government assume responsibility;

"(e) effective regulation of surface coal mining operations by the States and by the Federal Government in accordance with the requirements of this Act is an appropriate and necessary means to prevent the adverse social, economic, and environmental effects of such mining operations;"

Redesignate the following paragraphs accordingly.

Page 174, line 4, insert the following new subsection:

"(f) there are a substantial number of acres of land throughout major regions of the United States disturbed by surface and underground mining, on which little or no reclamation was conducted, and the impacts from these unreclaimed lands impose social and economic costs on residents in nearby and adjoining areas as well as continuing to impair environmental quality;"

Redesignate the following paragraphs accordingly.

On page 180, between lines 8 and 9, insert the following new subsection:

"(d) the Director shall not use either permanently or temporarily any person charged with responsibility of inspecting coal mines under the Federal Coal Mine Health and Safety Act of 1969, unless he finds, and publishes such finding in the Federal Register, that such person or persons are not needed for such inspections under the 1969 Act."

Page 213, between lines 16 and 17, insert the following sentence:

"No funds shall be appropriated for Titles III and IV of this Act until the Secretary publishes in the Federal Register the actions he has taken to fully implement the Federal enforcement program required by this subsection."

By Mr. RUPPE:

Page 194, line 11, after the word "of", strike out the words "thirty-five" and insert the word "ten". On line 12, place a period after the word "produced" and strike the remainder of the sentence through the period on line 15.

Page 194, line 22, strike the word "unless" and all of lines 23, 24, and 25 on page 194. Strike lines one and two on page 195.

Page 223, line 2, strike the period, and insert a comma in lieu thereof, and add the following phrase "*provided*, That with respect to coal to be mined for use in a synthetic fuel facility, the permittee shall be deemed to have commenced surface mining operations at such time as the construction of the synthetic fuel facility is initiated."

Page 238, line 22, strike out all of line 22 through line 24, and on page 239, strike out all of lines 1 through 21, and insert the following:

"(5) the proposed surface coal mining operation, if located west of the one hundredth meridian west longitude, would not have a substantial adverse effect on croplands or haylands overlying alluvial valley floors where such croplands or haylands are significant to the practice of farming or ranching operations."

Page 256, strike lines 1 through 11 and substitute the following:

"(13) With respect to the use of existing or new impoundments for the disposal of coal mine wastes, coal processing wastes, or other liquid or solid wastes, incorporate the best engineering practices for the design, location and construction of water retention facilities and construct or reconstruct such facilities to insure that the construction will be so designed to achieve necessary stability with an adequate margin of safety to protect the health and safety of the public; that leachate will not pollute surface or ground water, and that no mine waste such as coal funes and slimes determined as unsuitable for construction constitutents by sound engineering methods and design practices are used in the construction of water impoundments, water retention facilities, dams, or settling ponds; provided that the Secretary shall consult with the Corps of Engineers and the Secretary of Agriculture with respect to standards developed under this paragraph."

(Conforming Amendment): Page 266, strike lines 16 through Page 267, line 2, and substitute the following:

"(5) With respect to the use of existing or new impoundments for the disposal of coal mine wastes, coal processing wastes, or other liquid or solid wastes, incorporate the best engineering practices for the design, location and construction of water retention facilities and construct or reconstruct such facilities to insure that the construction will be so designed to achieve necessary stability with an adequate margin of safety to protect the health and safety of the public; that leachate will not pollute surface or ground water, and that no mine waste such as coal funes and slimes determined as unsuitable for construction constituents by sound engineering methods and design practices are used in the construction of water impoundments, water retention facilities, dams, or settling ponds; provided that the Secretary shall consult with the Corps of Engineers and the Secretary of Agriculture with respect to standards developed under this paragraph."

Page 281, line 17, after the word "Constitution", add the word "and" and strike the remainder of line 17 and all of lines 18, 19, and 20, and add the following new subsection:

"(C) Any other person who is alleged to be in violation of any rule, regulation, order or permit issued pursuant to this Act; or".

(Conforming amendments):

On page 282, strike all of line 9 except the semicolon and the word "or".

On page 282, line 13, strike the words "or the" and strike line 14 through the word "order" and add the following: "or any rule, regulation, or permit issued pursuant to this Act"

On page 284, line 1, strike the words "the provisions of this Act, or of" and after the word "any" add the word "rule," and insert the word "or" after the word "order".

On page 284, line 2, strike the words "or plan of reclamation issued by the Secretary" and add the words, "issued pursuant to this Act,".

Page 311, line 21, after the word "any" insert the word "Federal".

By Mrs. SPELLMAN:

Page 210, line 6, strike out "515(b)(19), and 515(d) of this Act." and insert in lieu thereof "and 515(b)(19) of this Act. No such permit shall be issued on or after such date of enactment for surface coal mining operations on a steep slope (as defined in section 515(d)(4)) or on any mountain, ridge, hill, or other geographical configuration which contains such a steep slope."

Page 238, between lines 8 and 9, insert the following:

(4) the proposed surface coal mining operation does not include mining on any steep slope (as defined in section 515(d)(4)) or on any mountain, ridge, hill or other geographical configuration which contains such a steep slope.

And redesignate the following paragraphs accordingly.

By Mr. STEIGER of Arizona:

Page 209, line 19, strike out all of line 19 through line 24, and on page 210, strike out all of lines 1 through 17, and insert the following:

"SEC. 502(a) On and after ninety days from the date of enactment of this Act, no person shall open or develop any new or previously mined or abandoned site for surface coal mining operations on land on which such operations are regulated by a State regulatory authority unless such person has obtained a permit from such regulatory authority. All such permits shall contain terms requiring compliance with the mining and reclamation performance standards set forth in subsections 515(b)(2), 515(b)(3), 515(b)(5), 515(b)(10), 515(b)(13), 515(b)(19), and 515(d) of this Act. The regulatory authority shall act upon all applications for such permits within forty-five days from the receipt thereof.

"(b) Within Sixty days from the date of enactment of this Act, the State regulatory shall review and amend all existing permits in order to incorporate in them the mining and reclamation performance standards specified in subsection 502(a). On or before one hundred and twenty days from the date of issuance of such amended permit, all surface coal mining operations existing at the date of enactment of this Act on lands on which such operations are regulated by a State regulatory authority shall comply with such mining and reclamation performance standards with respect to lands from which the overburden and the coal seam being mined has not been removed."

Redesignate the subsections accordingly.

Page 211, line 12, strike out all of line 12, page 211, thru line 22 on page 213 and insert the following:

"(f) The Secretary shall issue regulations, to be effective one hundred and twenty days from the date of enactment of this Act, establishing an interim Federal evaluation and enforcement program. Such program shall remain in effect in each State in which there are surface coal mining operations regulated by a State regulatory authority until the State program has been approved and implemented pursuant to section 503 of this Act or until a Federal program has been prepared and implemented pursuant to section 504 of this Act. The evaluation and enforcement program shall—

"(1) include inspections of surface coal mining operations on a random basis without advance notice to the mine operator, for the purpose of evaluating State administration of, and ascertaining compliance with the mining and reclamation performance standards specified in subsection 502(a). Except as provided in section 521(a)(2), the Secretary shall request the appropriate State regulatory authority to take such enforcement action as may be necessary to correct violations identified during inspections. If the State regulatory authority fails to act within ten days from the date of such request, the Secretary may order any necessary enforcement action pursuant to section 521 and shall order any necessary enforcement action pursuant to section 521(a)(2).

"(2) provide that upon receipt of inspection report indicating that any surface coal

mining operation has been found in violation of the mining and reclamation performance standards specified in section 502 (a) during not less than two consecutive State inspections or upon receipt by the Secretary of information which would give rise to reasonable belief that such standards are being violated by any surface coal mining operation, the Secretary shall order the immediate inspection of such operation by Federal inspectors and the necessary enforcement actions, if any, to be implemented pursuant to the Federal enforcement provisions of this title. When the Federal inspection results from information provided to the Secretary by any person, the Secretary shall notify such persons when the Federal inspection is proposed to be carried out and such person shall be allowed to accompany the inspector during the inspection;

"(3) for purposes of this section, the term "Federal inspector" means personnel of the Office of Surface Mining Reclamation and Enforcement and such additional personnel of the United States Geological Survey, Bureau of Land Management, or of the Mining Enforcement and Safety Administration so designated by the Secretary, or such other personnel of the Forest Service, Soil Conservation Service, or the Agricultural Stabilization and Conservation Service as arranged by appropriate agreement with the Secretary on a reimbursable or other basis;

"(4) provide that the State regulatory agency file with the Secretary and with a designated Federal office centrally located in the county or area in which the inspected surface coal mine is located copies of inspection reports made; and

"(5) provide that moneys authorized by section 712 shall be available to the Secretary prior to the approval of a State program pursuant to this Act to reimburse the States for conducting those inspections in which the standards of this Act are enforced and for the administration of this section.

"(g) The provisions of this section shall be applicable to surface coal mining and reclamation operations on lands on which such operations are regulated by a State regulatory authority until a State program is approved in accordance with the provisions of section 503 of this Act or until a Federal program is promulgated in accordance with the requirements of section 504 of this Act."

(Conforming amendment): Title V, page 286, Section 521(a)(4), line 24, strike the words "section 502 or"

Page 238, line 7, after the word "designed" insert the phrase: "to the maximum extent practicable."

(Conforming amendment): Page 254, line 22, after the word "preserving" insert the phrase: "to the maximum extent practicable".

Page 259, line 17, page 259, strike line 17 through page 263, line 2 and substitute the following:

"(c)(1) Each State program may and each Federal program shall include procedures pursuant to which the regulatory authority may permit variances for the purposes set forth in this subsection.

"(2) In cases where an industrial, commercial (including commercial agricultural), residential, or public facility (including recreational facilities) development is proposed for the postmining use of the affected land, the regulatory authority may grant a variance to the requirements for regrading, backfilling, and spoil placement as set forth in subsection 415(b)(3) or 415 (d)(2) where—

"(A) after consultation with the appropriate land use planning agencies, if any, the proposed development is deemed to constitute an equal or better economic or public use of the affected land, as compared with the premining use;

"(B) the granting of such proposed variance is essential to obtaining the equal or better economic or public use;

"(C) the applicant presents specific plans for the proposed postmining land use and appropriate assurances that such use will be—

"(i) compatible with adjacent land uses;

"(ii) obtainable according to data regarding expected need and market;

"(iii) assured of investment in necessary public facilities;

"(iv) supported by commitments from public agencies where appropriate;

"(v) practicable with respect to private financial capability for completion of the proposed development;

"(vi) planned pursuant to a schedule attached to the reclamation plan so as to integrate the mining operation and reclamation with the postmining land use; and

"(vii) designed by a registered engineer in conformance with professional standards established to assure the stability, drainage, and configuration necessary for the intended use of the site;

"(D) the proposed use would be consistent with adjacent land uses, and existing State and local land use plans and programs;

"(E) the regulatory authority provides the governing body of the unit of general purpose government in which the land is located and any State or Federal agency which the regulatory agency, in its discretion, determines to have an interest in the proposed use, an opportunity of not more than forty-five days to review and comment on the proposed use;

"(F) a public hearing, if requested after appropriate notice, is held in the locality of the proposed surface coal mining operation prior to the grant of any permit including a variance; and

"(G) all other requirements of this Act will be met.

"(3) In granting any variance pursuant to this subsection the regulatory authority shall require that—

"(A) the reclaimed area is stable;

"(B) no damage will be done to natural watercourses; and

"(C) all other requirements of this Act will be met.

"(4) The regulatory authority shall promulgate specific regulations to govern the granting of variances in accord with the provisions of this subsection, and may impose such additional requirements as it deems to be necessary.

"(5) All variances granted under the provisions of this subsection shall be reviewed not more than three years from the date of issuance of the permit, unless the applicant affirmatively demonstrates that the proposed development is proceeding in accordance with the terms of the approved schedule and reclamation plan."

Page 294, line 21, strike out all of lines 21 thru 23 and substitute the following:

"(2) on any Federal lands within the boundaries of any national forest: *Provided,* That such prohibition shall not be applicable to surface operations and impacts incident to an underground coal mine: *Provided further,* That the Secretary of Agriculture may set aside the prohibition on surface coal mining operations for a specific area or areas if after due consideration of the existing and potential multiple resource uses and values he determines such action to be in the public interest. Surface coal mining on any such areas shall be subject to the provisions applicable to other Federal lands as contained in section 523;"

(Conforming amendment): line 19, page 296 after "pursuant to the Act," add the following: "With respect to National Forest System lands, the Secretary shall include in permits, leases, and contracts those conditions and requirements deemed necessary by the Secretary of Agriculture. The Secretary of Agriculture shall administer the provisions of such permits, leases, or contracts relating to reclamation and surface use, and is authorized to enforce such provisions."

Page 305, line 1, strike all of Section 529, consisting of lines 1 through 24, and lines 1 through 3 on page 306.

Page 315, line 17, after line 17, add the following new subsection and reletter accordingly:

"(b) In order to provide greater certainty in implementing and administering this Act, the Secretary is authorized to define, pursuant to his general rulemaking authority, such other terms used in this Act as may be susceptible to more than one reasonable interpretation, provided that such definitions are not inconsistent with specific provisions of the Act."

Page 328, line 15, strike all of Section 714 through line 4, page 335 and add the following new section:

"SEC. 714. Nothing in this Act shall be construed as increasing or diminishing any property rights held by the United States or by any other land owner."

(Conforming amendments): Strike Section 102(b), page 174, line 23 through line 2, page 175.

Strike Section 512(b)(8), page 243, lines 7 through 9.

On page 307, line 24, strike the comma, insert a period, and strike the remainder of the sentence.

March 14, 1975.

By Mr. WIRTH:

Page 294, Line 21, strike the words: "boundaries of any national forest" and insert the following: "the National Forest System."

H.R. 4296

By Mr. KREBS:

Page 2, line 2, strike the figure "48 cents" and insert in lieu thereof the figure "45 cents".

Page 2, line 6, strike the figure "40 cents" and insert in lieu thereof the figure "38 cents".

EXTENSIONS OF REMARKS

DAIRY FARM SITUATION

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, March 14, 1975

Mr. OBEY. Mr. Speaker, some urban Members of Congress are under the misguided impression that they can do the consumers a favor by opposing the dairy portion of the farm bill scheduled for consideration next week.

I am inserting four articles from the Wall Street Journal, the Wisconsin Rapids Daily Tribune, the Milwaukee Journal and the Milwaukee Sentinel, which vividly portray the disastrous situation which exists on dairy farms today.

Some urban legislators have remarked to me that they cannot believe that the dairy farm situation is as serious as claimed because they see no decline in supermarket prices for dairy products. That irritates farmers as much as anyone else.