By Mr. STRATTON:

H.J. Res. 385. Joint resolution authorizing the President to proclaim the first Saturday in October of each year as National Jogging Day; to the Committee on Post Office and Civil Service.

By Mr. BAUMAN (for himself, Mr. MONTGOMERY, Mr. KEMP, Mr. ASHBROOK, Mr. CLEVELAND, Mrs. HOLT, Mr. MCDONALD of Georgia, Mr. SPENCE, Mr. SYMMS, Mr. ROUSSELOT, Mr. BURGENER, Mr. RUPPE, Mr. LAGOMARSINO, Mr. CRANE, Mr. MURPHY of New York, Mr. BIAGGI, Mr. NOWAK, Mr. CHAPPELL, Mr. MURTHA, Mr. LLOYD of California, Mr. GOLDWATER, Mr. DEVINE, and Mr. CONLAN):

H. Con. Res. 210. Concurrent Resolution stating the sense of Congress regarding the situation in Southeast Asia; to the Committee on International Relations.

By Mr. HAYS of Ohio:

H. Res. 383. Resolution providing funds for the expenses of the Committee on House Administration to provide for maintenance and improvement of ongoing computer services for the House of Represntatives and for the investigation of additional computer services for the House of Representatives; to the Committee on House Administration.

By Mr. BROOKS (for himself, Mr. MADIGAN, and Mr. NOLAN):

H. Res. 384. Resolution directing the House Commission on Information and Facilities to provide for radio and television coverage of proceedings in the House Chamber during the first session of the 94th Congress; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

86. By the SPEAKER: Memorial of the General Assembly of the State of Rhode Island and Providence Plantations, relative to providing emergency generators in housing for the elderly; to the Committee on Banking, Currency and Housing.

87. Also, memorial of the Congress of Micronesia, Trust Territory of the Pacific Islands, relative to the Economic Development Loan Fund; to the Committee on Interior and Insular Affairs.

88. Also, memorial of the Legislature of the State of South Carolina, relative to restoring the citizenship of Gen. Robert E. Lee; to the Committee on the Judiciary.

89. Also, memorial of the Senate of the State of Rhode Island and Providence Plantations, relative to construction of a dike along Cherry Brook at Union Village in North Smithfield; to the Committee on Public Works and Transportation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HARRIS:

H.R. 5829. A bill for the relief of Harry Stanley Spaulding, Jr.; to the Committee on the Judiciary.

By Mr. LAGOMARSINO:

H.R. 5830. A bill for the relief of the heirs at law of Jiro Kunisaki and Ellen Kishiyama, his daughter; to the Committee on the Judiciary.

By Mr. MINETA:

H.R. 5831. A bill for the relief of David J. MacKenzie; to the Committee on the Judiciary.

By Mr. WINN:

H.R. 5832. A bill for the relief of NEES Corporation; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

78. By the SPEAKER: Petition of the Corporate Board of Directors and Executive Committee of the Oklahoma City (Oklahoma) Chamber of Commerce, relative to Federal regulation of natural gas; to the Committee on Interstate and Foreign Commerce.

79. Also, petition of Clay F. Smith, Butler, Ind., relative to the cost of electricity; to the Committee on Interstate and Foreign Commerce.

80. Also, petition of Natalie Klemm, Macdoel, Calif., and others, relative to the Advisory Commission on Intergovernmental Relations; to the Committee on Government Operations.

81. Also, petition of Kay Shadoan, San Francisco, Calif, and others, relative to the Advisory Commission on Intergovernmental Relations; to the Committee on Government Operations.

SENATE—*Wednesday, April 9, 1975*

The Senate met at 10:15 a.m., and was called to order by Hon. JESSE HELMS, a Senator from the State of North Carolina.

PRAYER

The Reverend Dr. Billy Graham, Montreat, N.C., offered the following prayer:

Our Father God, we are aware that the Scriptures declare that legislators of a nation are "ministers of God for good". (Romans 13: 4)

At this troubled, frustrating, confusing, and dangerous moment of history, we beseech Thy wisdom and grace to rest upon those who carry the heavy burden of leadership in this great Nation. May we be motivated by the wisdom, justice, and compassion of God the Father, the Son, and the Holy Spirit.

Forgive us if we have compromised our ideals and shut our eyes to the dangers abroad and the common good of all the American people.

Deepen our personal faith in Thee, and above all help us to have the integrity and the courage that our constituents expect of us.

Where there is division, bring accord; and where there is indifference, bring concern. May this Nation get moving again in Thy direction. Help us to remember the words "Seek ye first the Kingdom of God and His righteousness and all these things shall be added unto Thee".

And we could not pray today without remembering those who are suffering in Southeast Asia.

We ask in the name of the Saviour, who loved us and gave His life for us. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., April 9, 1975.

To the Senate:

Being temporarily absent from the Senate on official duties, I appoint Hon. JESSE HELMS, a Senator from the State of North Carolina, to perform the duties of the Chair during my absence.

JAMES O. EASTLAND,
President pro tempore.

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

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, April 8, 1975, be dispensed with.

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

COMMITTEE MEETINGS DURING SENATE SESSION

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

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

JOINT REFERRAL OF COMMUNICATION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that a letter from the Deputy Secretary of Transportation relative to the reporting requirements of section 21 of the Deepwater Port Act of 1974 be referred jointly to the Committee on Commerce, Committee on Interior and Insular Affairs, and the Committee on Public Works.

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

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. LEAHY). Does the Senator from Pennsylvania seek recognition?

Mr. HUGH SCOTT. Mr. President, I yield back my time.

The PRESIDING OFFICER. Under the previous order the Senator from North Carolina (Mr. HELMS) is recognized for a time not to exceed 15 minutes.

Mr. HELMS. I thank the Chair.

THE REVEREND DR. BILLY GRAHAM

Mr. HELMS. Mr. President, it goes without saying that I am exceedingly pleased that my longtime friend and fellow North Carolinian, Billy Graham, is with us this morning. Earlier today, Billy

was the special guest at our regular Wednesday morning Senate prayer breakfast. As always, he delivered an inspiring message.

Mr. President, Billy Graham was born in Charlotte, N.C., some 3 years before I was born about 20 miles down Highway 74 in the little town of Monroe. Like other North Carolinians, I have observed the remarkable career of this dedicated man. There are few men in history who have known and traveled this world as Billy Graham has done. I dare say that he has preached the Gospel of Jesus Christ to more millions than any other mortal in history.

I visit with Billy Graham from time to time, Mr. President. Not long ago, he stopped by to have lunch with me in the Senate Dining Room. He was not aware of it, Mr. President—he would have been embarrassed, had he known—but every eye was respectfully focused upon him; and he was scarcely able to finish his lunch because of the steady stream of people who came to our table to greet him.

It is his sincerity, his unyielding dedication to his great ministry, his willingness to do whatever is necessary to preach the Gospel of Jesus Christ—these are the things that have made him one of the great men of our time.

But, Mr. President, Billy Graham scoffs at such assessments. He thinks not of himself, except in terms of what he might do further to preach the Gospel to still others around the world.

Billy was ordained by the Southern Baptists in 1940. Since the late 1940's, he has led evangelistic crusades in virtually every State, and in more than 50 foreign countries. He is the author of six books.

His books, "Peace With God," "The Secret of Happiness," "My Answer," "World Aflame," and "The Challenge" have been read by millions. Billy has been the subject of several biographies and personality features in the world's leading magazines and newspapers. "The Jesus Generation," Billy's latest book (1971), sold 200,000 copies in the first 2 weeks after publication. It has been published in 15 languages. His New York, Los Angeles, four London crusades, and South Korean crusade probably stand as high water marks of his career as an evangelist.

Holder of degrees from Florida Bible Institute and Wheaton College, Billy Graham has received honorary doctorates from many institutions. He is author of a column, "My Answer," which appears in many of the Nation's foremost newspapers on a daily basis.

His counsel has been sought by Presidents, and his appeal to both the secular and nonsecular worlds is shown by the wide range of groups that have honored him. These recognitions range from addressing the President's National Prayer Breakfast to the Gold Award of the George Washington Carver Memorial Institute in 1963, from the Speaker of the Year Award in 1964 to the Salvation Army's Distinguished Service Medal. He regularly is listed as one of the "Ten Most Admired Men in the World" and has been named "Man of the Year" by Time magazine.

Founder of the Billy Graham Evangelistic Association, he leads the weekly "Hour of Decision" program which is broadcast by more than 900 stations around the world.

Mrs. Graham is the former Ruth McCue Bell, whose father died last year after a splendid career as one of the Nation's leading Presbyterian clergymen.

Mr. President, as a North Carolinian, I welcome Billy Graham here today. As his friend, I thank him for his splendid witness as an evangelist carrying the Gospel of Jesus Christ to the four corners of the earth. Nowhere, however, is his message more sorely needed than in America today; and I am immensely grateful for his presence on this occasion in the Senate Chamber.

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

Mr. HELMS. I am glad to yield to the Senator from Georgia.

Mr. TALMADGE. I am delighted to associate myself with the remarks made by my distinguished friend from North Carolina. I have known Dr. Billy Graham now for about 25 years as a warm personal friend. I am proud of what he has meant to me, to the State of Georgia, to the United States of America, and to the world.

Mr. HELMS. I thank the Senator for his comments. Mr. President, I yield back the remainder of my time.

THE REVEREND DR. BILLY GRAHAM

Mr. MORGAN subsequently said: Mr. President, earlier this morning when the Senate opened, we were privileged to have a very distinguished North Carolinian to give the invocation. I want to join with my senior colleague from North Carolina in paying a personal tribute to the Reverend Dr. Billy Graham, who is not only a citizen and resident of our State, but as someone else has already mentioned, in all reality a citizen of the world.

Mr. President, I rise in tribute today to the Reverend Dr. Billy Graham, a citizen of the world and one of the Old North State's noblest sons.

To capture in words the height and breadth of this man's spirit, character, service, and influence is a virtual impossibility. For 25 years this ambassador of Christ to the world at large has avowed to be none other than a servant to man and God. With vigorous intellect, sustained lofty purpose, honest and feeling heart, superb dignity, quiet consciousness of power, and purity of thought and speech Billy Graham has honored his State, Nation, and calling.

Girded with the mighty convictions of conservative evangelical truth, he has proclaimed with uncompromising fidelity and unique ability the good news of Christ to more people than any man in the annals of history. To more than we can number, he has lent encouragement to strive for and to live the just and admirable life.

During these years Billy Graham has received accolades from highest church prelates. He has stood before the thrones of kings and endless heads of state for recognition. And in nation after nation the common man has accorded him a place of greatest esteem in their lives. But no adulation by man, high or low, has either turned him from the simplicity of his faith or enticed him from his absolute dependence upon God.

There is no manmade standard by which we may measure or gage the influence of Billy Graham upon the course of history. Such tributes as we pay this day are but shadowy glimpses of the secret praise to be found in the minds of thousands who through his ministry have found peace.

It is with a sense of awe that I say to you this day, "We stand in the presence of a man of God; one who is convinced, as he views mankind through the eyes of faith, that no human being is without worth, use, beauty, and dignity."

Billy Graham is the kind of man who will accept our words of tribute with calm dignity and gracious thanks, but he will not look upon them as honoring his life or his ministry but rather an honoring of Him whom he serves. On the concluding page of his book "Peace With God" Billy Graham wrote,

> I would not change places with the wealthiest and most influential man in the world. I would rather be a child of the King, a joint-heir with Christ, a member of the Royal Family of heaven!

Such is the man we honor today.

The PRESIDING OFFICER (Mr. LEAHY). Under the previous order, the Senator from Georgia (Mr. TALMADGE) is recognized for not to exceed 15 minutes.

THE PROPOSED INCREASE IN STAFF ALLOWANCES FOR SENATORS

Mr. TALMADGE. Mr. President, Senate Resolution 110 to vastly increase the staff allowance for Senators is an affront to the American people.

It is a slap in the face of every hard-working American taxpayer out there trying to keep body and soul together in the midst of the most severe economic crisis in the United States since the thirties.

It is an insult to millions of citizens thrown out of jobs by the recession and to the elderly and the needy whose savings and retirement benefits and public assistance payments have been laid to waste by rampant inflation.

I could not be more opposed to this outrageous proposal if it were a scheme to build each Senator a palatial estate on the banks of the Potomac, complete with yacht and limousine service.

Regardless of how high sounding it may be made to appear, or how noble its avowed purpose, strip this resolution of its rhetorical facade and I contend, with all due respect to its sponsors, that it is a boondoggle.

At a time when the Nation is staggering under the double threat of recession and inflation, when there is more than 8½ percent unemployment, when there is a projected Federal deficit of $80 billion which very likely could be even higher than that, and when the Government cannot find funds to finance programs vital to our Nation's well-being and progress, I cannot see how such a proposal as this could even be seriously considered.

The Federal budget is awash in red

ink. If I read the American public right, taxpayers want Congress to spend less—far less—not more.

They want Congress to divest itself of waste and frills, not add more to the pile.

They want Congress to be leaner, not fatter—and more efficient, not a bureaucratic nightmare as so many of our Federal agencies have become.

They want Congress to get on with the busines of solving the Nation's social and economic problems, and not to try to legislate to feather its own nest.

If there were ever a time when all the eyes of the Nation are on the Congress, collectively and individually, that time is now.

People are no longer in the mood to plead and cajole for fiscal responsibility.

They demand it. It is rightfully theirs to demand.

This proposal flies in the face of fiscal responsibility.

I realize that on many spending programs there is room for honest differences of opinion.

Not so with this one.

What would it do? It would allow the addition of more than 900 employees to the staffs of Senators.

What would this grandiose disregard of the taxpayer's money cost?

To start with, it would run about $33 million a year.

And as anyone who ever has had anything to do with Government knows, these estimates are on the low side.

And, that does not include the extra office space that would be required, or the additional equipment and furnishings, which would run the cost up more millions of dollars.

Neither does it take into account travel allowances for these additional staff members.

In short, to say that some $32 or $33 million per year represents the cost of this proposal would not only be a gross understatement, it would be an insult to the intelligence of anyone familiar with the spending habits of the Federal Government.

This purports to be a proposal to expand committee staffs and thereby increase their efficiency.

I am not surprised. It is consistent with the kind of Government thinking that has gotten us into our present economic mess, the idea that "more is better."

This is the thinking that if you have a problem, throw money at it and it will go away.

But this is not a question of committee staffs. It is a ruse to permit individual Senators to increase their personal staffs.

To use myself as a personal example of the effect of this resolution, it would enable me to hire about 12 additional employees at $34,881 each, for a total of $418,572.

Or, I could pay less than the top salary and hire more than 12 new staff members.

I want no part of it.

Since I came to the Senate 18 years ago, I have never used my full staff allotment and I have turned money back every year.

We do not need additional staff of the same kind and number countenanced by this resolution.

In my judgment, one of our problems now is that we have too much staff.

Senators are too easily sold on new spending programs, not just in legislative appropriations for running Congress but in virtually every area of Government.

And, if you do not believe that, Mr. President, just take a look at our $500 billion national debt.

Mr. President, I urge Senators not to be sold on this spending program.

If there is any Member of this body who does not think he is under a mandate to stop spending money we do not have for programs we do not need, then he is not in touch with the people.

I know of no better way to demonstrate the responsibility we owe the American people than by the defeat of this resolution.

Mr. President, as a part of my remarks, I ask unanimous consent to have printed in the RECORD an article which originally appeared in the New York Times Magazine and which was condensed and reprinted in the Reader's Digest, entitled "Congress—A Problem of Size."

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

CONGRESS—A PROBLEM OF SIZE

(By Milton S. Gwirtzman)

(Unless our legislative arm of government can curb its own phenomenal growth, its ability to function effectively may soon be paralyzed.)

After decades of playing second fiddle to powerful and sometimes glamorous Presidents, the U.S. Congress at last seems ready to take the offensive in the battle to influence federal policy. But whether Congress will be able to use its muscle to give the country the laws and direction it needs is very much in doubt. Searching questions have been raised about the strength of its present leadership, the rigidity of its seniority system, the power of hidebound committee chairmen, and the intrinsic difficulty of getting 535 independently elected individuals (who often speak for clashing interests) to agree on vitally needed programs. Aggravating each of these handicaps is the little-recognized fact that Congress may simply have become too large and cumbersome, and its expansion by now may well be out of control.

Consider:

In 1954, the House and Senate had combined staffs of 5600 people and an operating budget of $42 million. Today, they have 16,000 employes and a budget of $329 million. In the late 1950s, Senators and their staffs worked in a single office building, House members in two. The operations of Congress now take up five buildings and are spilling over into adjacent hotels and apartments. Recently, a new wing for the Dirksen Senate Office Building (estimated cost: $84 million) was commissioned, and an acquisition plan has been ordered for even more real estate. True, the number of constituents has increased, but Congress' staff has grown well over six times faster. At the rate of growth established during the past ten years, Congress will cost almost a billion dollars a year to operate by 1985.

Staff Infections. Until World War II, the average Congressman's staff consisted of little more than a secretary and a clerk. Today, members of the House are allowed 16 full-time employes for their personal staffs—not a startling number, but as many as some Senators had 15 years ago. Senators now have empires. In the staid 1950s, for example, the offices of the two Senators from California employed 40 people between them; their current sucecssors have 115 (with titles such as media secretary, local-issue director and secretarial supervisor). When former Sen. Sam Ervin (D., N.C.) first came to Washington in 1954, he had an office staff of seven; when he retired last December, he left nearly six times as many, spread among his personal office, committees and subcommittees. There are always plenty of applicants for staff posts, because the pay is good, the work is interesting and the fringe benefits are sensational.*

An even greater explosion has taken place in Congressional committees. The Senate Committee on the Judiciary, which listed 15 employes in 1954, now has 177. The Committee on Labor and Public Welfare, which had 14, has 97. The Committee on Interstate and Foreign Commerce has swollen from 10 to 53 staffers.

In its earlier years, Congress used to form a new committee to handle each new crisis. Crises passed, but the committees often kept going. The Legislative Reorganization Act of 1946 did eliminate 47 standing committees and prohibited creation of more except by special legislation. But virtually all the committees abolished by that act have been reborn, as subcommittees. In the 93rd Congress the Senate had 146 subcommittees, the House 132, including such vital instruments of national policy as the Senate Special Subcommittee on the Freight Car Shortage and the House Select Committee on Parking. The House Committee on Education and Labor had a Special Subcommittee on Labor, a General Subcommittee on Labor and a Select Subcommittee on Labor (each headed by a member with close ties of the union movement). All told, Congress now spends $54 million a year for committee operations alone.

Empire Building. One reason Congress has expanded so fast is that it has the ability to spend money on itself. This is, in effect, one of the few government powers that is neither checked nor balanced in our Constitution. Budget requests from the executive agencies are first pared by the Office of Management and Budget in the White House and then reviewed by several Congressional committees. But Congress alone decides how much to appropriate for its own operations, and each chamber accepts the other's decision without question.

To be sure, members of Congress do not come to Washington with the intention of building empires. But they soon see that to make a mark for themselves they are going to have to carve out an area of expertise. This can be done most comfortably through one of the committees to which they are assigned. A legislator with a few years of seniority tries to dream up an area, within his committee's jurisdiction, that has sufficient public interest to justify a subcommittee of his own. (The environmental movement was welcomed for this purpose: Congress has six new subcommittees in this field.)

Among the more senior members of Congress, power is measured by the number of staff positions one controls. Republicans fight Democrats for a larger share of committee staff positions, under the banner of "protecting the interests of the minority." When, for example, Senators on the new Budget Committee met last Auugst, the first

*The highest-paid administrative assistants receive $37,000 per year. In the numerous amenity rooms of the House and the Senate office buildings, staffers can buy a four-course lunch for under $2, and have pictures framed and packages wrapped for nothing. Those who stay for 20 years are eligible for the most liberal retirement plan in the federal government.

thing they did was to grant each other one new professional staff member. All government agencies like to add employes, but only Congress can do so with such abandon.

The Lobbying Industry. One would think that, with larger staff support, Congress would write more laws. It doesn't. The number of bills enacted in 1973 (247) was ten less than ten years earlier, when its staff was one half the present size. One might also think the influence of outside pressure groups would decline because Congressmen would not have to depend on them so much. Instead, the lobbying industry has grown even faster than Congress.

The confluence of increased staffs and more intensive lobbying is slowing down the legislative process instead of speeding it up. With an ever-larger array of interests knocking on their doors, Congressmen and Senators today find it harder to agree. They become locked into inflexible positions, which they defend with the help of their larger staffs. As a result, such important legislation as consumer-protection, health-insurance and land-use programs have become deadlocked. No wonder only 21 percent of the public expressed faith in Congress as an institution in a survey made last year.

One would think, too, that with increased professional assistance, members of Congress would be better able to help individual constituents in their dealings with the federal bureaucracy. Unfortunately, members of Congress can't do as much as they would like us to think. For example, when a Congressional office receives a plea for intervention, it normally sends what is called a "buckslip" to the appropriate agency. In many instances, the agency simply sends back a letter stating why the exception is impossible. This is then forwarded to the constituent with a cover letter indicating that the Representative or Senator has done his best.

Make the Boss Look Good. The rise of Congressional empires has made legislators busier than ever. On any morning on Capitol Hill, for instance, the typical Senator has four or five of his committees and subcommittees holding hearings at the same time. He ignores some, shuttles between the others. He gets a quick oral briefing from the staff on arrival, stays to ask a few questions, leaves to keep other appointments. In the afternoon, he races between more appointments, more meetings and roll-call votes on the Senate floor.

As a result, important legislation rarely gets a full hearing. Votes are cast on scanty knowledge. The time for useful discussion is minimal; for reflection, almost nil. Privately, Senators admit that many of the sub-committees are run by the staffs, and they don't like it. But they are willing to accept all these drawbacks in return for the chance to be in the forefront of as many important issues as possible.

They know that the rise of the Congressional empires has given them an important head-start in winning re-elections. A Senator from a middle-sized state like Connecticut or Iowa has almost $400,000 a year in public funds to spend on his personal staff. With a moderate amount of seniority, he controls another $200,000 in committee salaries. The first duty of a Congressional employe is to do one's job in a way that makes the boss look as good as possible. Personal staffs can participate in re-election campaigns. Although committee staffs are prohibited from giving priority to requests from the boss's constituents, some of them do just that.

What to Do? Congress could easily reduce its working force, with no loss in power and probably an increase in effectiveness. But it is futile to expect that this will happen. The best that can be hoped for is a halt to further expansion. No one wants legislators to do anything rash, such as write their own speeches; they should, however, hold their own operations to the same standards of economy as everyone else is being forced to meet.

They could begin by scrapping plans for further physical expansion, including construction of more Senate office space. More space will just bring pressure for more staff, which will bring pressure for more space.

Congress should set a fixed budget ceiling for itself. Then it should direct the General Accounting Office to investigate Congressional operations—as it does with executive agencies—to uncover waste and duplication, and to recommend which subcommittees are effective enough to stay in business. Unfortunately, the House, in its recent consideration of committee reform, went in the opposite direction. It tripled the number of professional employees on committee staffs, and created a new committee dedicated to problems of the aging—a subject on which 21 other House subcommittees already have some jurisdiction.

Unless Congress can curb its phenomenal growth, its renewed quest for authority will yield only further conflict and public mistrust. In the end, its real strength and stature will be determined by the quality of each member. If his main concern is to expand his staff and enhance his reputation, we shall continue to have a Congress whose members may be respected by their individual constituencies, but whose standing as a body is debased.

Americans expect a higher standard of performance from Congress in the post-Watergate era. If legislators can suppress the all-too-human desire to build empires or monuments to themselves, perhaps they *can* give us the timely, forceful action we need to improve our lives and preserve our liberties.

Mr. TALMADGE. I also ask unanimous consent to have printed in the RECORD an editorial published in the Washington Star of Wednesday, March 19, 1975, entitled "Congressional Inflation."

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

CONGRESSIONAL INFLATION

Members of Congress talk a great deal about the evils of inflation, but very little about the costly ballooning of their own operations on Capitol Hill. In the belt-tightening race, they invariably come in last. Of course the monstrous deficits which the federal government will show in the next couple of years can be blamed mainly on the recession and recession-fighting imperatives—revenue losses due to lagging incomes, tax cuts and rebates, unemployment aid and the like. But the public needs to be aware that at least a small part of this added inflationary load is for expansion of congressional activities and prerogatives.

The members, true enough, haven't raised their regular salaries lately. That's too risky; most people back home consider the $42,500 a year to be sufficiently generous for the times. What may have escaped some constitutents, however, is that congressional allowances have been going up and up. In the House, since year before last, this rise totals some $10,000 per member. The House stationery allowance, $3,000 in 1969, now is $6,500 per member and need not be accounted for. That item, then, can amount to nothing but a hidden salary increase, and ideas for even more generous expense allowances are drifting around in the current session.

This is peanuts, though, when measured against the total picture of expanded congressional spending, which has far outrun the growth of government outlay as a whole. What Congress spends on itself has doubled in five years, more than tripled in 10 years, and soon will exceed $1 billion annually if some brakes aren't applied somewhere. The outlay, in fact, now is above $800 million and the new Congress doesn't seem in a braking mood. Proposals for committee enlargement and other new employment appear to be sailing along nicely, even though Senate and House employes have increased from 10,000 to 17,000 in just five years. A plan now before the Senate, for example, would give each Senator extra staff based on his committee assignments: For every committee on which he serves, there would be $69,762 a year for additional staff, and for a minor committee assignment, $34,881.

The resultant bloating of office payrolls would be mighty hard to explain among the homefolks, however, in these tight times, and we have a hunch the senators may back away from this one. But also hard to justify, as to public-works priority, are visions of physical expansion on a grand scale—enlargement of the Dirksen Senate Office Building, and addition of another building for House operations. The answer given is that the vital committee system needs to be improved, and that Congress needs a better research capability of its own, all of which is true. But one must question whether these purposes are well served by the sheer mushrooming of committees and subcommittees (the latter now totaling some 250) with their fast-multiplying personnel.

In this sprawl there is much overlapping of work and jurisdiction, and hence a great deal of waste, and perhaps little improvement in the quality of legislation. Too many subcommittees are mainly prestige domains for individual lawmakers—something to be chairman of. And for research, Congress quite rightly makes increasing use of the Library of Congress, for which it has built an enormous and splendid new building, now nearing completion.

In any case, for the sake of example if nothing else, hard thought must be given to controlling the pell-mell growth of the legislative branch. Government example is, after all, extremely important these days, having to do with the vital element of public credibility, which is dangerously depleted.

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

Mr. TALMADGE. I am delighted to yield to my friend from North Carolina.

Mr. HELMS. Mr. President, I commend the distinguished Senator from Georgia for his statement, and associate myself with his remarks. It often occurs to me that so many Members of Congress criticize the bureaucracy in the executive branch, yet say nothing about the bureaucracy that has been built, and is continuing to be built, in the legislative branch.

I think frugality and prudence are just like charity, they ought to begin at home. I think we ought to examine our own spending habits. The Senator from Georgia is a model in terms of trying to protect the taxpayers from inordinate and extravagant spending by the Federal Government. I commend him for his statement.

Mr. TALMADGE. I thank my friend.

To emphasize what both he and I have tried to point out in the Senate, the Members of this body should be aware of the fact that last year, of the 93 Senators still in office now, 66 Senators returned in excess of $10,000 of their clerk hire unspent; 53 Senators still in office returned over $20,000 unspent; 41 Senators still in office returned over $30,000 unspent.

That seems to me to emphasize fully that there is no shortage of funds for senatorial clerk hire.

Mr. HELMS. Will the Senator yield further?

Mr. TALMADGE. I yield.

Mr. HELMS. All of us would like to have more office help from time to time. But there is a temptation to build an empire. I feel that I should try to operate my office—and I know the distinguished Senator from Georgia shares the feeling—on a sound, prudent, economical basis, just as would be the case if we were operating a business and spending our own money. I think we owe that to the taxpayers.

Frankly, some of the activities in Washington, if they were practiced in the business world, would result in wholesale bankruptcy, I would say to the Senator.

Mr. TALMADGE. All would be bankrupt.

In fact, since I have been in public office I have tried to watch public money with the same frugality that I have my own.

Mr. HELMS. I serve with the distinguished Senator from Georgia on the Committee on Agriculture and Forestry of which he is chairman, and he serves as chairman with distinction, Mr. President. I know he practices what he preaches on that committee. I again commend him for his statement.

Mr. TALMADGE. I am grateful indeed to my friend from North Carolina.

I yield now to my distinguished friend, the Senator from Wyoming.

Mr. HANSEN. Mr. President, I join the distinguished Senator from North Carolina in complimenting, and associating myself with the remarks just delivered by, our distinguished friend from Georgia (Mr. TALMADGE).

I am a cosponsor of one of the resolutions which would call for one staff member for each committee.

I did that for only one reason, and I am sorely vexed and disturbed by the reasons that seem to me compelling, in trying to point out some of the problems that I found, I have encountered, as a member of the minority party.

I am a member of several committees, and these past 2 or 4 years the Interior Committee has been, for reasons that sometimes escape me, very, very busy indeed so as to prevent my attendance at the committee that I think has to be one of the most important in the Senate, the Committee on Finance.

I want to say that we could not ask for a finer staff than we have on the Finance Committee.

Mr. TALMADGE. Mr. President, will the Senator yield at that point?

Mr. HANSEN. I yield.

Mr. TAMADGE. I have been on the Finance Committee now for 17 years. I have not appointed a single member on the staff of that committee. That is the prerogative of the chairman and the ranking minority member but, without exception, every time I have called on the members of that staff for any service they have performed beyond the call of duty.

Now, the Senator from North Carolina and I serve on the Committee on Agriculture and Forestry. The staff of that committee is completely professional and nonpartisan and nonpolitical, and whenever Senators call on members on that staff they always deliver.

Mr. HANSEN. I could not agree more, Mr. President. Every time we have ever asked for any assistance, any background materials, the response has been immediate and enthusiastic.

My problem has been that it seems as though there has been a great proliferation of bills that have been referred to the Interior Committee. We will be debating again on the floor very shortly S. 622. We have bills upon bills upon bills. I think they overlap. I think many of them are unnecessary, and yet, in order to discharge my responsibilities as a member of that committee, I have found it necessary to attend hearings and to be present at markups, and to do the floor duty that is incumbent on a Member in order to try to discharge his responsibilities. Because of that it has been difficult for me to keep informed on what has taken place in the Finance Committee.

I read in the paper just the last 2 or 3 days of an example of the number of pieces of legislation that had been referred to the Committee on Finance. I recall, too, the total staff expenditure from that committee and, by comparison, I do not believe there is another committee in the Senate that does half as much work for twice as much money as the Finance Committee does.

Mr. TALMADGE. I concur with the Senator.

Mr. HANSEN. It has been a difficult thing to try to keep track of what goes on in that committee and to try to prepare myself, as I tried to do as a member of the conference between the House and the Senate, when we were discussing the tax rebate bill here just not long ago, and this basic dilemma is the reason why I associated myself with one of the resolutions that would provide for some input so that I might be better informed.

Mr. TALMADGE. I thank my distinguished friend from Wyoming.

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

The PRESIDING OFFICER (Mr. LEAHY). Will the Senator withhold that request?

Mr. TALMADGE. I withhold that request.

ORDER OF BUSINESS

The PRESIDING OFFICER. Under the previous order, the Senator from Alaska (Mr. GRAVEL) is recognized for not to exceed 15 minutes.

INCREASED STAFF ALLOWANCES FOR SENATORS

Mr. GRAVEL. Mr. President, I had asked for the 15 minutes, because I was under the impression that the Senator from Georgia was going to speak on my resolution 60, and I was prepared to come to the floor to address myself to those comments.

If I might most respectfully ask the Senator from Georgia——

Mr. TALMADGE. I did address myself to Senate Resolution 110.

Mr. GRAVEL. 110, which was the staffing resolution?

Mr. TALMADGE. Yes. It is a resolution cosponsored by, I believe, a majority of the Members of the Senate.

Mr. GRAVEL. That is correct.

If the Senator from Georgia would like, I would be happy to respond to, perhaps, any questions he might have relative to that resolution so that I could add to the body of knowledge with respect to the purpose and the intent of that resolution. I am hoping to satisfy my colleagues——

Mr. TALMADGE. I made my statement on the floor of the Senate, and it will appear in today's RECORD.

I pointed out that of the present Members of the Senate, 66 Senators still in office returned over $10,000 of their clerk hire last year; 53 Senators still in office returned over $20,000 last year; 41 Senators still in office returned over $30,000 of their clerk hire last year. So it seems to the Senator from Georgia that there are adequate funds for clerks and other staff assistants already authorized by the Senate Rules.

I pointed out that the resolution, Senate Resolution 110, according to the best estimates, would cost some $30 odd million in extra money to fund additional Senate clerks, and would authorize in excess of 900 new employees at a salary of some $34,000 a year each, and I did not see the reason for that expenditure.

Mr. GRAVEL. Well, if I could respond to my colleague in that regard, when he states that it would cost $30 some million and he, at the same time, refers to a list, which is accurate, of Senators who have turned back moneys from their clerk hire, then I think we can make the reasonable assumption that if we do provide, under my proposal, additional staff capability, we can assume that those people who are presently turning back moneys will not avail themselves of my proposal.

So, therefore, it will not cost $30 million. It obviously will cost considerably less. I could break that down for my colleague, and I will break it down and put it in the RECORD. But the figures that we come up with are somewhere around $11 million or less, which is an increase in the legislative budget of less than 1.5 percent. It does not seem unreasonable.

We are not trying in this resolution to force any Member of the Senate to spend more money for staff. We are not going to do that. We would not begin to importune our colleagues. But what we are trying to get at is the inequality that exists in the Senate. The Senator from Georgia, when he votes on an issue important to the State of Georgia, representing the people of Georgia, and when I vote on an issue of importance relating to the people of Alaska, our votes happen to be equal.

Mr. TALMADGE. I agree with that.

Mr. GRAVEL. So, therefore, it is incumbent upon us to try and set up a system where the information we can place inside of our heads—we make that decision—is as equal as possible.

Mr. TALMADGE. Will the Senator yield?

Mr. GRAVEL. I am happy to yield.

Mr. TALMADGE. Will the Senator have a legislative section in his office?

Mr. GRAVEL. Yes, I do.

Mr. TALMADGE. So do I, and they alert me on matters as they relate to the State of Georgia.

The Senator and I serve on the Fi-

nance Committee, and I assume the Senator would share my view that the staff of the Senate Finance Committee is one of the finest, if not the finest, in the U.S. Senate. Would the Senator agree?

Mr. GRAVEL. No question, except for one problem, that it is not my staff.

Mr. TALMADGE. I agree, it is the committee staff. That is the point I am trying to make.

Has the Senator ever called on the Finance Committee staff for information or expertise and ever had that request refused?

Mr. GRAVEL. Oh, I would say that some of the things I wanted to do with my subcommittee were probably impeded by the lack of staff. But by the same token, I was able to get out a couple of fairly large omnibus bills. The chairman was of like mind, and I was able to get the staff to work on my legislation.

But I might say candidly, if the Senator from Georgia made demands on the staff of the Finance Committee, they would serve the Senator from Georgia before they would serve the Senator from Alaska.

Mr. TALMADGE. No, they would not, and I make this point: I went on the Finance Committee some 17 years ago as the most junior member of that body. Every time I have called on staff members of the Finance Committee for assistance, they have done so, beyond the call of duty, even though I might have been the most junior member of that committee.

Now, I happen to be the chairman of the Committee on Agriculture and Forestry, and when I assumed the chairmanship of that committee we had a woefully inadequate staff in terms of numbers. The staff was competent, but it was inadequate, and we asked the Committee on Rules and Administration to give us additional money for additional staff. They responded. Working with majority and minority members of the committee, we have appointed staff members who were nonpolitical, nonpartisan experts in their field. I have issued instructions to the staff that whenever any member of the committee called for assistance, they are to lend it, and I have not had the first complaint.

Mr. GRAVEL. Well, I will only say with respect to the Committee on Finance, I probably have an aptitude with respect to energy, but with respect to other areas I must confess that I walk around in a fair amount of ignorance. On the Finance Committee we handle all tax legislation, HEW legislation, revenue sharing, trade legislation, and I do not have a single staff person assigned to me to help me do that task.

Mr. TALMADGE. I am chairman of the Subcommittee on Health of the Finance Committee and I would say to the Senator that no individual staff member is assigned to my subcommittee either. But whenever any problem arises in the Finance Committee, as the Senator knows, the total staff is made available for whatever work and expertise is necessary on that problem.

I think the Senator is a little bit too modest. He merely refers to himself as chairman of the Subcommittee on Energy, but the Senate and the Finance Committee recognize the Senator as one of the foremost experts in this body on energy.

Now, he gained that knowledge somehow and I assume it was with the help of the Finance Committee staff as well as the Senator's own great ability.

Mr. GRAVEL. I might say that the Senator points out he is chairman of the Agriculture Committee, and I might say the Senator probably has more committee assignments than any other Member of the Senate. Certainly, that is testimony to the amount of commitment and effort the Senator from Georgia puts forth in his obligation as a Member of the Senate.

But I think the realities of the situation are that I did not turn back any money, clerk hire money, last year. I barely had enough to survive and satisfy my needs, as I view them.

Mr. TALMADGE. Will the Senator yield?

Mr. GRAVEL. But it is, I might say, a personal view.

So if we are going to say, "Make us equal," then it has to be a personal judgment.

Mr. TALMADGE. Will the Senator yield?

Mr. GRAVEL. But I can only say the Senator from Georgia has at his disposal because of his seniority position——

Mr. TALMADGE. Not because of seniority. The most junior Member of the Senate, who represents a State with the same population as my State of Georgia, has the same clerk hire allowance that I have.

In the 18 years I have been a Member of this body I have turned back a portion of my clerk hire every year.

Now, there are expenditures beyond what I have available as clerk hire in the Senate. I try to get out a newsletter to keep the people of my State informed on what is going on in the Senate and the views of their Senator. The cost of that paper is enormous.

I also do radio reports that I send to Georgia. I do television reports that I send to Georgia and I do a weekly news column that appears in the Georgia press. Each year those things cost me about $20,000 that I do not have available in my clerk hire allowance, but I have used honorariums and contributions for that purpose and I expect to continue to do so.

Mr. GRAVEL. If I may only add, my colleague with his committee assignments has at his disposal, because he is either chairman or ranking member, $4,618,475, and my distinguished colleague from Georgia has returned 11.1 percent of his clerk hire. But maybe I could return some of my clerk hire if I had $4,618,475.

Mr. TALMADGE. Will the Senator yield?

Mr. GRAVEL. When I was in a command position to control.

Mr. TALMADGE. Will the Senator yield?

Mr. GRAVEL. I am happy to yield.

Mr. TALMADGE. The Senator is totally in error in that statement. I do not have four and a half million dollars at my disposal. Furthermore, the staff of the Committee on Agriculture and Forestry does not perform one single duty for the Senator from Georgia as the Senator from Georgia. They perform their duties for the Committee on Agriculture and Forestry. It is true, occasionally I get mail and inquiries addressed to me as chairman of the committee that they respond to.

I do not have a single employee on the staff of the Finance Committee, not a one. I do not want one.

Mr. GRAVEL. Yes.

First, I would not dare insult the Senator by saying that that is not what I said. What I said was that when the Senator comes to the floor, he is the most expert person on agriculture.

I would like to be knowledgeable on agriculture, but I cannot spare the time, so I rely upon the wisdom of the Senator from Georgia. I have done that repeatedly, and I will continue to.

Mr. TALMADGE. The Senator from Georgia relies on the wisdom of the Senator from Alaska——

Mr. GRAVEL. In the Finance Committee, I want to make up my own mind on taxes, so I want to have the staff to equip myself to do that. All I am saying is that I do not have.

The Senator is on the Finance Committee, he is on the Veterans Affairs, Joint Committee on Internal Revenue Taxation, Select Committee on Nutrition and Human Needs, Standards and Conduct, and Select Committee on Presidential Campaign Activities. I would like to get involved in all those issues.

Mr. TALMADGE. Will the Senator yield?

Mr. GRAVEL. I would be very candid to say that if I were ranking member and I had committee staff, I would guarantee they would see me before any other member. That is the nature of the business.

Mr. TALMADGE. Will the Senator yield?

I do not have a single employee and have never recommended a single employee on any committee that I serve on, except the Committe on Agriculture and Forestry of which I am chairman. The Senator is a diligent member of this body, he attends hearings when we have matters before the Finance Committee, he attends the markup sessions when the staff experts explain those matters, and he has identically the same staff on the Finance Committee as the Senator from Georgia, no more and no less.

Mr. GRAVEL. And all I can say is that is not enough for me to discharge my responsibilities. It may be for the Senator from Georgia. But I do not see why the Senator from Georgia should want to penalize me if I feel I need more people because I am not, maybe, swift enough to grasp the issue since I am new on the committee.

Mr. TALMADGE. Will the Senator yield?

Mr. GRAVEL. When I do vote on the committee on taxes, my vote is the same thing as RUSSELL LONG'S, who has been there a number of years. So it is important for me to play the catch-up game.

Mr. TALMADGE. Will the Senator yield?

Mr. GRAVEL. I am happy to yield.

Mr. TALMADGE. I do not want to penalize the Senator from Alaska, he has the same right as every other Member of this body, but the Senator from Georgia and the Senator from Alaska have the same staff on the Committee on Finance, and that is the total membership of that staff, no more and no less, and the Senator has the opportunity and privilege and duty, if the need arises to call on the committee staff whenever he wants expert information which he does not have.

Mr. GRAVEL. Well, I might just reiterate, if it comes between a senior and junior member of the committee as to where that staff member is going to spend his time——

Mr. TALMADGE. It does not make a bit of difference.

Mr. GRAVEL. That would be the dumbest staff person on earth to give his time to the junior member at the expense of a senior committee member. And I have not met that kind of staff person. I have found they will serve me if there is time to serve me, and if my views are at variance from senior members or the chairman of the committee, they will not serve.

Those are the cold, hard facts of life. There is nothing wrong with that. It is just human nature. I am prepared to accept that. If I could explain to my colleague the fundamentals of the legislation, I think it would add to the dialog.

Mr. TALMADGE. Will the Senator yield?

Mr. GRAVEL. I will be happy to yield.

Mr. TALMADGE. I have found the staffs serve the junior as well as the senior Members. I pointed out to the Senator that when I was the most junior Member of this body, I called upon the staff of the Committee on Agriculture and Forestry and the Committee on Finance and I never made a request that was not complied with. The Senator from Alaska is no longer a junior Member. He has been elected for another 6-year term in this body. He is now more than a junior Member. He is a chairman of a subcommittee and recognized as an expert in the field of energy, as well as an expert in many other fields involving business and other matters. I have the greatest respect for the Senator, but he makes a mistake when he states that the staff of any committee in the Senate is not available to the total committee. They are available.

Mr. GRAVEL. I will not repeat the statement I made before, but I would like to go to the fundamentals of this legislation so my colleague from Georgia can understand the principles. I think the principles are valid and they are almost immutable. We apportion staff in the Senate on the basis of, one, population. That is good. There are more people in Georgia than in Alaska, so the Senator has more constituent responsibilities than I have.

Mr. TALMADGE. And New York and California have more people than Georgia.

Mr. GRAVEL. May I finish? I did not interrupt the Senator from Georgia.

So it is important that the Senator from Georgia has more staff because he has more people.

The other way we apportion staff is on the basis of committees, the full committees. We know, and it has been abundantly——

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

Mr. GRAVEL. I ask unanimous consent——

Mr. MANSFIELD. Mr. President, I am forced to object, reluctantly and respectfully, because the precedent has been set in allocating these time periods for Senators to be recognized. The Senator from North Carolina has been waiting patiently.

Mr. GRAVEL. May I pose a question to the majority leader?

Mr. MANSFIELD. No.

Mr. President, I object reluctantly and respectfully to observe the precedents which have been established. The Senator can come back after the Senator from North Carolina finishes his remarks.

Mr. GRAVEL. I will be happy to do that.

Mr. MANSFIELD. And then I will yield the Senator some of my time.

The PRESIDING OFFICER. Under the previous order the Senator from North Carolina is recognized for not to exceed 10 minutes.

(The remarks made by Mr. MORGAN at this point are printed in today's RECORD in the tributes to Dr. Billy Graham following the convening of the Senate.)

ROUTINE MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of routine morning business not to extend beyond the hour of 11:30 a.m., with statements therein limited to 5 minutes.

Mr. GRAVEL. Mr. President——

Mr. MANSFIELD. Will the Senator yield? If I am not in the Chamber, I would like to be recognized at this time to yield my 5 minutes to the Senator from Alaska.

Mr. TALMADGE. If the Senator needs additional time, I will yield my 5 minutes also.

Mr. GRAVEL. I would prefer that the Senator from Georgia keep his 5 minutes. I have 10 minutes.

I thank the distinguished majority leader for yielding his 5 minutes. I understand the precedent he wanted to maintain with regard to the rule.

The PRESIDING OFFICER. The Senator may proceed.

INCREASED STAFF ALLOWANCES FOR SENATORS

Mr. GRAVEL. Mr. President, let me begin by stating the purpose of the legislation and the fundamentals. We have staff in the Senate on the basis of two approaches. The first approach is on the basis of population. That is a very proper approach because, as I pointed out, the Senator from Georgia has more people in his State than I have in Alaska. Therefore, he has more need of staff to satisfy the constituency needs.

The Senator from California and the Senator from New York obviously have considerably more need for staff to satisfy their constituency needs than does the Senator from the State of Alaska, for an obvious reason—population. So the formula that we satisfy ourselves with in building a staff through population is a proper one. That is the end of the staff that we get as a matter of right. The second method by which staff is apportioned here in the Senate is to the committees. The balance of the staff goes to the committees, the Finance Committee, the Agriculture and Forestry Committee, the Commerce Committee, and so forth. The committee chairmen get that. They present their budgets as to what they need.

If, over time, the committee chairmen in question have had large appetites to do a lot of work, or have had a lot of imagination and wanted to do a lot, they obviously sought to expand their staffs because they had a lot of work to do. Also, they expanded if they wanted to be generous to members of the committee, as was the case of the Judiciary Committee where you have the budget of the Judiciary Committee which just about equals what this total amendment will cost—$8 million. And, of course, many members of the Judiciary Committee have very large staffs to do the work of the members that they serve on the Judiciary. But on the Finance Committee, we have no staffs assigned to individuals. It is a collective staff, under the leadership of the chairman. So on some committees we have no staff at all to serve us, but on other committees, if the chairman is generous, or depending on his approach, we have a great deal of staff. Obviously, this leads to a great deal of capriciousness, a great deal of injustice; and that is the reason why a very fine reporter from the Washington Post did what I thought was an outstanding series on this ineptitude within the Senate.

I want to state that I do not address myself to that problem. That is a problem of the Rules Committee, one that they should solve, and I think there are ways to solve it. The way to obviate the inequities is to develop a formula for committees so that there is an equity as to the staff the committees get, an equity related to the membership of the committees, and an equity related to the workload of the committee.

My proposal does not touch the population formula. It does not touch the appropriation to committees. It comes in with a totally new approach. It starts with the fundamental principle that we in the Senate are all equal. Therefore, if we are equal, in order to exercise our equal roles as legislators, we should have equal staff, based upon our legislative duties.

So my proposal says that we will get $69,000 for our "A" committee assignments, $34,000 for our "B" and "C" committee assignments; and if we happen to be chairman of a subcommittee or the ranking member, then we get another $69,000 to be able to handle those duties.

If a person is chairman of a subcommittee or a member of the Finance Committee and does not need that money, he does not have to take it. He takes it only if he wants it—if he wants to feel his full equality and satisfy his intellectual ap-

petite. It is that simple. It is an effort to establish equality.

Based upon the record—and my colleague from Georgia probably would be one of those individuals—he would not be entitled to any money under my proposal——

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

Mr. GRAVEL. I yield.

Mr. TALMADGE. I think the Senator errs when he assumes that the staff of a committee serves only the chairman of the committee and no one else. We have two different setups in the Senate. We have a hundred individual Senators, as the Senator knows, who have clerk hire allowances based upon population.

In addition, we have the committee system, whereby we try to draft legislation and get bills in an acceptable form to be brought to the floor of the Senate. Those committee staffs serve the entire committee, whatever committee it may be.

The staff of the Finance Committee, on which the Senator and I serve, serves the entire membership of the Finance Committee. They do not serve the Senator from Alaska exclusively nor the Senator from Georgia exclusively. Those staff members are experts in their field. They serve primarily the Finance Committee and every member thereof. In addition, they serve the membership of the Senate.

I say to the Senator that I have called on the staffs of many committees in the Senate. When a bill has been coming from, we will say, the Committee on Interior and Insular Affairs, I realize I have no expertise in that field. My legislative assistants—I have about five people, two lawyers and three secretaries, in the legislative section of my office—will see the staff of the Interior and Insular Affairs Committee and get information on that problem. So the staff of the committee serves all Senators.

The Senator makes a mistake when he assumes that the staff of a particular committee serves only the chairman thereof, to the exclusion of the Senator from Alaska.

Mr. GRAVEL. I did not say that. I can only add that I have found that the staff serves the one who issues their paycheck.

Mr. TALMADGE. The Government of the United States issues their paycheck, so they serve 212 million Americans.

Mr. GRAVEL. Of course, they do. The information that our expert staff on the Finance Committee brings forth is, of course, for the benefit of the American people, for the benefit of the Finance Committee, and for the benefit of the Senate. I use staff reports all the time to make a point before the Senate. So they do that. But when it comes down to whom they will serve if there is a conflict between members of the Finance Committee, I submit that they will serve the person who pays them, and the person who pays them on the Finance Committee is RUSSELL LONG.

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

Mr. GRAVEL. I yield.

Mr. TALMADGE. Some constituents came into my office this morning from Macon, Ga. They wanted to discuss legislation that comes under the jurisdiction of the Committee on the Judiciary. I called in one of my legislative assistants and instructed him to take these people to the most knowledgeable staff member of the Judiciary Committee so they could talk to him. That happens every day. The Senator and I know that. The staff members serve all Senators.

Mr. GRAVEL. I can give the Senator from Georgia a more graphic example than that.

Sitting at my side is a young man by the name of Harrison Fox, who is assisting me in the Chamber. He does not work for me. He does not even work for a Democratic colleague in the Senate. He works for a Republican colleague. But he is the most knowledgeable staff person on this subject. So I was availing myself of his brain power.

But the minute his Senator walks in and says, "You will not serve Senator GRAVEL; you will step over here and deny your knowledge to Senator GRAVEL," he would be a fool to sit here, because his paycheck comes from over there. That graphically states the point I am trying to get across.

Mr. TALMADGE. The Senator has proved my point better than I can prove it.

Mr. GRAVEL. I do not understand the Senator's point. If the Senator is saying that if the chairman of a committee and I agree, then of course, within the workload that he has defined for the committee, I have access to that staff. But if my appetite is larger than that, then obviously my appetite to satisfy my intellect, to serve my people, and to serve this Nation could not be satisfied by the staff because it is dependent upon the decision of another Senator. That is where the inequality creeps in, and that is what I am trying to get away from with this legislation.

I am saying that every Senator is equal here and, therefore, is entitled to basic staff to equip him to do the job as a legislator. That is not the case right now. The case right now is that the present system is wrought with great abuse. Some Senators have large staffs because of seniority, capriciousness of the chairmen, or accident.

Mr. TALMADGE. The Senator again makes the mistake of assuming that the staff of a committee is the personal staff of the chairman of the committee. That is not correct.

If there are any abuses of staff members serving the chairman to the exclusion of committee members, that should be corrected; and the way to correct it is for the Rules Committee to keep a sharp eye on these committee budgetary requests. The Senator knows as well as I that the members of the staff of the Finance Committee serve the Finance Committee. They serve all of us who are members of that committee.

Mr. GRAVEL. Under a certain pecking order.

Mr. TALMADGE. In 17 years, I have never been denied a request.

Mr. GRAVEL. They serve us on the Finance Committee in a certain pecking order, like the staff of the Senate serves the Senate in a certain pecking order. I do not think we can appeal to the Rules Committee to try to change the laws of human nature.

All I am saying is that we allow every Member of this body to have an equal right to fill his head with facts so that he can stand up and try to be equal. In a democratic society, in a rational democratic society, there is only one power at hand. That is the power of knowledge. The staff is the ability to acquire knowledge.

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

Mr. GRAVEL. I yield.

Mr. TALMADGE. I have never found the Senator lacking in knowledge on any subject.

Mr. GRAVEL. I must say to my colleague that I accept that as a compliment; but in the introspection I have given my life, I have found gaping holes in my knowledge, to the point that I am embarrassed at times when I come to the floor of the Senate to vote. I would hate to codify time I did not know what I was voting on when I came to the floor of the Senate because of the lack of staff assistance to inform me and to do the job properly.

We see a situation in which the Executive has too much power. The Executive has had a 25 percent increase in the amount of staff available to them. When an issue comes up, we grope around in the dark. They can put a hundred men on a task and come up with an answer that befuddles us, confuses us, and overwhelms us. In a rational democratic society, knowledge is power, and the Executive has more knowledge than we have on issues and facts. Therefore, they have more power than we. That is the reason why our political society falters today and why Congress has not been able to assert its full powers under the Constitution. We have not equipped ourselves to do it.

Mr. TALMADGE. Does the Senator realize that senatorial staffs have increased 70 percent in 5 years' time?

Mr. GRAVEL. My staff has not increased 100 percent in 5 years' time.

Mr. TALMADGE. The Senate staff has increased 70 percent in 5 years' time. In 20 years' time, it has increased more than 200 percent.

Mr. GRAVEL. Well, maybe the cost of Government, maybe the duties of Government have increased. Our society is considerably more sophisticated. All of these things go forward.

I wonder if we want to close our eyes while the rest of sophisticated, technical society moves forward. The information we need on science today at our fingertips is more demanding than it used to be. Does my colleague say we should not equip ourselves to handle this?

Mr. TALMADGE. The Senator from Georgia is not of the opinion that more staff makes for better government. It makes for bureaucracy, it bungles more things than it solves. I think the Senate operated better and more efficiently when the staff was smaller than it is now. The Senator knows that many of these staff people come up here right out of law school and college and they are dreamers and are idealistic. They get

on staffs seeking new worlds to conquer. They sell new ideas to Senators, propose to spend more money, pass more laws, have more Government regulation. I think our country would be a good deal better off today if we had less staff, not more.

Mr. GRAVEL. I agree with my colleague from Georgia. In fact, I should like to see it at the level it was when Thomas Jefferson was President, when he did not have a National Security Council, and he did not have all these people who will propel him into these decisions. But that is not what we have today. We do not have an agrarian society as it was then, we do not have a society at the beginning of the industrial revolution; we have a society at the end of the industrial revolution and at the beginning of a cybernetic revolution. If we do not have that information in a democracy, democracy is going to fail.

I am the first to recognize the inadequacies of bureaucracy. I labored long yesterday afternoon on what I think is one of the great bureaucratic fallacies to occur in this Government. I want to limit the bureaucracy. I want to limit bureaucracy and permit us to operate the checks and balances. One of the checks and balances designed by our forefathers, and their true genius, was the fact of pitting Congress against the executive and making the judiciary the arbitrator of it all.

What we have done is permit the industrial revolution to co-opt the executive. We equip them to do the job in our modern-day society, but not Congress. So we sit here in our culpability and say, there is just too much going on; we cannot handle it. So we do not equip ourselves to try to handle it. That is the tragedy of it all.

Mr. TALMADGE. As the Senator knows, probably beginning with the days of the late President Franklin D. Roosevelt, the executive branch of Government has taken the initiative and Congress has yielded more and more power. The Senate, for some years now, has been trying to reassert its power. The Senator from Georgia and the Senator from Alaska have been active in that regard. But I do not think the size of the staff makes any difference in that. The Senators themselves yield the power, not the staff.

Mr. GRAVEL. I might say the staff does make a difference. It makes a difference from the standpoint of perspective, as I see it. If I can have an expert on taxation, he can then inform me as to what the issues are in taxation as the bills come up. I do not have the time to read all there is on taxation. I am not an expert on health care legislation.

I interviewed yesterday a fellow who is going to go to all the other Senate offices. He is an expert on health care. I will not be paying him.

Mr. TALMADGE. I am no expert, either. But we do have experts on our committee. We hold hearings in which we hear from outside experts. After we hear the outside experts, we can rely on our committee experts to help us make the decision.

Mr. GRAVEL. If I may say so, I would take and proselytize the experts on the Committee on Finance to draft the legislation I want. If that legislation were at variance with ranking members of that committee, I would find—I do not say this cynically; I say it with the full knowledge of how human nature operates, not in any critical fashion. But I would find that person who was helping me draft legislation would no longer be available to me.

I would say that has happened to me. It is no great confession. It has caused me to have no adverse feelings toward colleagues. It is just the realization that that is human nature. I would do the same thing. If I felt strongly about an issue and I were a committee chairman and I had a lot of work for the staff to do and a young member came in and said, "Senator, I need to grab a lot of that staff to go do this," I would say, "Senator, there is not enough time. We have our priorities set." I would say it in a paternalistic fashion, because the poor young Senator really does not know the whole issue, has not been around here long enough to know the whole issue. That is no disrespect to him. It is no capriciousness on our part. It is just that that is the way we act as human beings.

But that is not equality, that is not justice. When a new person comes in here, he may not know as much as I do on energy, because he has not had that much time. But that does not mean he should not have the equal right to get on this floor and fight as hard as he can with the assistance he needs to assault my position. That is how we are going to get better legislation.

Mr. TALMADGE. I agree fully with the Senator. We are all equal in this body. We have equal rights and equal sources. But he makes a mistake when he assumes that experts on the staff of any committee of this body are not available to any Senator. They are; I know. I have utilized them from time to time. My personal staff clerks, from the State of Georgia, utilize them daily, time after time.

Mr. GRAVEL. I can only close with this remark. That is to say, with all the respect that I have for the Senator from Georgia, I can only say that I have had experiences at variance with his. I can understand his experience. I am sure he can understand my experience.

I would say that, judging from the number of cosponsors that have joined me on this legislation, the experience that I have had seems to have been what other Members have had. That is why they have joined me, to try to rectify what is a very sad situation in the Senate and, of course, a situation that must be corrected. Otherwise, we cannot exercise our true role under the Constitution.

Mr. TALMADGE. Will the Senator yield?

Does the Senator realize that the majority of the cosponsors on his resolution returned to the Treasury clerk hire money that they did not spend?

Mr. GRAVEL. No question about it. I have that list and I wish to reiterate to my colleague that maybe they have seen the principle involved. That is the principle that we are equal and, therefore, we should afford every Member the right to equally inform himself on legislative matters.

That is all my proposal does. It does not upset the present arrangements that exist within committees, it does not upset the population formula. All it says is we are elected, we are equal, and we should have an equal opportunity to fill our minds with facts so that we can discharge the duties of the people that send us here, discharge the duties of the Nation, and, of course, meet our responsibilities.

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

Mr. GRAVEL. I thank the distinguished majority leader for yielding me some time. As I said after he left the room, I respect the position he is in in trying to maintain the propriety of the rules.

Mr. MANSFIELD. I appreciate the statement.

The PRESIDING OFFICER. Is there further morning business?

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

MESSAGES FROM THE PRESIDENT

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

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

The ACTING PRESIDENT pro tempore (Mr. HELMS) laid before the Senate the following message from the President of the United States, which was referred to the Committee on Banking, Housing and Urban Affairs:

To the Congress of the United States:

In accordance with section 5 of the Council on Wage and Price Stability Act, as amended, I am hereby transmitting to the Congress the second quarterly report of the Council on Wage and Price Stability. This report contains a description of the Council activities during the past few months in monitoring both wages and prices in the private sector and various Federal Government activities which lead to higher costs and prices. Additionally, it contains a discussion of wages and prices during the last quarter of 1974 and the outlook for 1975.

We are making good progress in winning the battle against inflation. The Council on Wage and Price Stability has helped to obtain the voluntary cooperation of labor and management in these efforts. The Council also is playing an important role in restraining any adverse economic impact of proposed Government actions.

GERALD R. FORD.

THE WHITE HOUSE, *April 9, 1975.*

EXECUTIVE MESSAGES REFERRED

As in executive session, the Acting President pro tempore (Mr. HELMS) laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 1 p.m., a message from the House of Representatives, delivered by Mr. Berry, one of its reading clerks, announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 543. An act to expand coverage of the Rehabilitation and Betterment Act (act of October 7, 1949, 63 Stat. 724);

H.R. 3109. An act to authorize appropriations for the saline water conversion program for fiscal year 1976;

H.J. Res. 148. A joint resolution to designate April 24, 1975, as "National Day of Remembrance of Man's Inhumanity to Man"; and

H.J. Res. 335. A joint resolution to extend the effective date of certain provisions of the Commodity Futures Trading Commission Act of 1974.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 203. A concurrent resolution providing for a joint session of the two Houses of Congress on Thursday, April 10, 1975.

At 2 p.m., a message from the House of Representatives, delivered by Mr. Hackney, one of its reading clerks, announced that the House disagrees to the amendments of the Senate to the bill (H.R. 4296) 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 80 per centum of parity with quarterly adjustments for the period ending March 31, 1976, and for other purposes; requests a conference with the Senate on the disagreeing votes of the two Houses thereon; and that Mr. FOLEY, Mr. POAGE, Mr. JONES of Tennessee, Mr. BOWEN, Mr. BERGLAND, Mr. WAMPLER, and Mr. SEBELIUS were appointed managers of the conference on the part of the House.

At 3:28 p.m., a message from the House of Representatives, delivered by Mr. Hackney, one of its reading clerks, announced that the House has passed the bill (H.R. 3922) to amend the Older Americans Act of 1965 to establish certain social services programs for older Americans and to extend the authorizations of appropriations contained in such act, to prohibit discrimination on the basis of age, and for other purposes, in which it requests the concurrence of the Senate.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

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

PROPOSED SUPPLEMENTAL APPROPRIATIONS FOR THE DEPARTMENT OF AGRICULTURE (S. Doc. No. 94–31)

A communication from the President of the United States, transmitting a proposed amendment to the request for supplemental appropriations for the fiscal year 1975 in the amount of $21,260,000 for the Department of Agriculture which was transmitted in the budget for fiscal year 1976 (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

PROPOSED SUPPLEMENTAL APPROPRIATION FOR THE CIVIL SERVICE COMMISSION (S. Doc. No. 94–32)

A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1975 in the amount of $7,970,000 for the Civil Service Commission (with accompanying papers); to the Committee on Appropriations, and ordered to be printed.

AIR NATIONAL GUARD CONSTRUCTION PROJECTS

A letter from the Deputy Assistant Secretary of Defense, transmitting, pursuant to law, proposed construction projects to be undertaken for the Air National Guard (with accompanying papers); to the Committee on Armed Services.

REPORTS OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a secret report on U.S. assistance and other expenditures benefiting Thailand (with an accompanying secret report); to the Committee on Government Operations.

THIRD PREFERENCE AND SIXTH PREFERENCE CLASSIFICATIONS FOR CERTAIN ALIENS

A letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports relating to third preference and sixth preference classifications for certain aliens (with accompanying papers); to the Committee on the Judiciary.

PROPOSED VOCATIONAL EDUCATION ACT OF 1975

A letter from the Secretary of Health, Education, and Welfare, transmitting a draft of proposed legislation to revise existing authorities under the Vocational Education Act of 1963 in order to create an improved means of providing Federal assistance to States for vocational education (with accompanying papers); to the Committee on Labor and Public Welfare.

PROPOSED LEGISLATION TO CLARIFY EXISTING AUTHORITY FOR THE EMPLOYMENT OF PERSONNEL AND PROCUREMENT OF SERVICES BY THE PRESIDENT AND THE VICE PRESIDENT

A communication from the President of the United States, transmitting a draft of proposed legislation to clarify existing authority for the employment of personnel and the procurement of services by the President and the Vice President, and for other purposes (with accompanying papers); to the Committee on Post Office and Civil Service.

DEEPWATER PORT ACT REPORTING

A letter from the Deputy Secretary of Transportation, relating to reporting requirements of section 21 of the Deepwater Port Act of 1974 (Public Law 93–627); to the Committee on Commerce, the Committee on Interior and Insular Affairs, and the Committee on Public Works, jointly, by unanimous consent.

PRESENTATION OF PETITIONS

Mr. PASTORE. Mr. President, I send to the desk, for myself and my colleague, Senator PELL, a resolution adopted by the General Assembly of the State of Rhode Island memorializing Congress to provide emergency generators in all housing for the elderly and ask unanimous consent that it be printed in the RECORD and referred to the proper committee.

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

The resolution, which was referred to the Committee on Banking, Housing and Urban Affairs, reads as follows:

RESOLUTION MEMORIALIZING CONGRESS TO PROVIDE EMERGENCY GENERATORS IN ALL HOUSING FOR THE ELDERLY

Whereas, The housing for the elderly in many instances are above three floors and the elderly during a power failure are unable to use the elevators, and physically unable to use the stairs, emergency generators are necessary; now, therefore be it

Resolved, That the general assembly of Rhode Island and Providence Plantations, now requests the congress of the United States to provide for emergency generators in all housing for the elderly; and be it further

Resolved, That the secretary of state be and he is hereby respectfully requested and directed to transmit duly certified copies of this resolution to the President of the Senate of the United States, the speaker of the House of Representatives, and to the Rhode Island delegation in Congress.

OVERSIGHT ACTIVITIES OF THE COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS—SUBMISSION OF A REPORT (REPT. NO. 94–64)

Mr. PROXMIRE. Mr. President, pursuant to section 118 of the Legislative Reorganization Act of 1970, as amended, I hereby submit a report of the oversight activities of the Committee on Banking, Housing and Urban Affairs for the 93d Congress.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HARTKE, from the Committee on Commerce, with an amendment:

S. 852. A bill to amend the Rail Passenger Service Act (Rept. No. 94–65).

By Mr. RIBICOFF, from the Committee on Government Operations, with amendments:

S. 200. A bill to establish an independent consumer agency to protect and serve the interest of consumers, and for other purposes, together with supplemental and minority views (Rept. No. 94–66).

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were read twice by their titles and referred as indicated:

H.R. 543. An act to expand coverage of the Rehabilitation and Betterment Act (Act of October 7, 1949, 63 Stat. 724). Referred to the Committee on Interior and Insular Affairs.

H.R. 3109. An act to authorize appropriations for the saline water conversion program for fiscal year 1976. Referred to the Committee on Interior and Insular Affairs.

H.R. 3922. An act to amend the Older Americans Act of 1965 to establish certain social services programs for older Americans and to extend the authorizations of appropriations contained in such act, to prohibit discrimination on the basis of age, and for

other purposes. Referred to the Committee on Labor and Public Welfare.

H.J. Res. 148. A joint resolution to designate April 24, 1975, as "National Day of Remembrance of Man's Inhumanity to Man." Referred to the Committee on the Judiciary.

H.J. Res. 335. A joint resolution to extend the effective date of certain provisions of the Commodity Futures Trading Commission Act of 1974. Referred to the Committee on Agriculture and Forestry.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. HATFIELD (for himself and Mr. PACKWOOD):

S. 1382. A bill to authorize the Secretary of Agriculture to reimburse cooperators for work performed which benefits Forest Service programs. Referred to the Committee on Agriculture and Forestry.

By Mr. BENTSEN:

S. 1383. A bill to amend the Outer Continental Shelf Lands Act with respect to payments to be made under oil and gas leases pursuant to such act. Referred to the Committee on Interior and Insular Affairs.

By Mr. HATFIELD:

S. 1384. A bill to designate certain lands for inclusion in the National Wilderness Preservation System. Referred to the Committee on Interior and Insular Affairs.

By Mr. HUMPHREY:

S. 1385. A bill to designate a national network of essential rail lines; to authorize the Secretary of Transportation to acquire, rehabilitate, and maintain rail lines; to require minimum standards of maintenance for rail lines; to provide financial assistance to the States for rehabilitation of rail lines, and for other purposes. Referred to the Committee on Commerce.

By Mr. CULVER (for himself, Mr. CLARK, and Mr. MAGNUSON):

S. 1386. A bill for the relief of Carmichael C. Peters. Referred to the Committee on the Judiciary.

By Mr. MOSS:

S. 1387. A bill to amend title IV of the Social Security Act to permit aid to families with dependent children to be paid with respect to a needy child whose father is receiving unemployment compensation or whose father is employed but whose earnings (plus other family income) are inadequate to provide family support. Referred to the Committee on Finance.

By Mr. DOMENICI:

S. 1388. A bill to direct certain Federal departments to undertake an immediate review of public lands withdrawn by executive action from exploration, development, and production of energy and other mineral resources with a view to determining and recommending the extent to which, if any, such lands should be made available for exploration, development, and production of energy and other mineral resources, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 1389. A bill to provide an authorization for an ex gratia payment to the people of Bikini Atoll, in the Marshall Islands of the Trust Territory of the Pacific Islands. Referred to the Committee on Interior and Insular Affairs.

By Mr. JACKSON (for himself, Mr. CHURCH, Mr. MAGNUSON, Mr. MANSFIELD, and Mr. METCALF):

S. 1390. A bill to authorize a study for the purpose of determining the feasibility and desirability of designating the Pacific Northwest Trail as a national scenic trail. Referred to the Committee on Interior and Insular Affairs.

By Mr. CRANSTON (for himself and Mr. TUNNEY):

S. 1391. A bill to study certain lands in the Mendocino National Forest, Calif., for possible inclusion in the National Wilderness Preservation System. Referred to the Committee on Interior and Insular Affairs.

By Mr. TUNNEY:

S. 1392. A bill to establish a demonstration program in energy conservation, using promising innovative technology to the maximum extent possible, through retrofitting existing buildings with energy conservation equipment and systems, and for other purposes. Referred to the Committee on Public Works, the Committee on Commerce, and the Committee on Government Operations, jointly, by unanimous consent.

By Mr. CLARK:

S. 1393. A bill for the relief of Mitsuo Kakutani, Akaiko and Kota Kakutani. Referred to the Committee on the Judiciary.

By Mr. BEALL:

S. 1394. A bill to amend section 403 of the Congressional Budget Act of 1974 to require cost estimates of proposed legislation covering a 5-year period and to include costs to be incurred by nongovernmental entities. Referred to the Committee on Government Operations.

By Mr. THURMOND:

S. 1395. A bill to amend title 10 of the United States Code, to provide for an exclusive remedy against the United States in suits based upon medical malpractice on the part of active duty military medical personnel, and for other purposes. Referred to the Committee on the Judiciary.

By Mr. HARTKE:

S. 1396. A bill to amend the Regional Rail Reorganization Act of 1973 to provide a greater percentage of Federal subsidy of rail lines proposed to be abandoned and to require more thorough analyses of branch lines before a final determination is made not to include them in the Consolidated Rail Corporation. Referred to the Committee on Commerce.

By Mr. KENNEDY:

S. 1397. A bill to amend section 22 of the Federal Meat Inspection Act relating to punishment for the commission of certain offenses under such act. Referred to the Committee on Agriculture and Forestry.

By Mr. JACKSON:

S. 1398. A bill to provide authorization of activities and appropriations for the Department of the Interior for the period commencing July 1, 1976, and ending on September 30, 1976, in conformance to the requirements of section 502(a) of the Congressional Budget and Impoundment Control Act of 1974 (P.L. 93-344). Referred to the Committee on Interior and Insular Affairs and, if and when reported, to the Committee on Appropriations, by unanimous consent.

By Mr. DOMENICI (for himself, Mr. EASTLAND, Mr. ALLEN, Mr. BEALL, Mr. BUCKLEY, Mr. FANNIN, Mr. GARN, Mr. GOLDWATER, Mr. HELMS, Mr. MCCLURE, Mr. STEVENS, Mr. STONE, Mr. THURMOND, and Mr. CURTIS):

S.J. Res. 69. A joint resolution relating to obtaining a full and accurate accounting for members of the U.S. Armed Forces missing in action in Southeast Asia and U.S. contribution to the U.N. Referred to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BENTSEN:

S. 1383. A bill to amend the Outer Continental Shelf Lands Act with respect to payments to be made under oil and gas leases pursuant to such act. Referred to the Committee on Interior and Insular Affairs.

OUTER CONTINENTAL SHELF LANDS ACT

Mr. BENTSEN. Mr. President, today I am introducing a bill amending the Outer Continental Shelf Lands Act to greatly increase the Government's share of the proceeds from the sale of oil and gas produced on Federal lands, and broaden the interest and competition in offshore bidding.

The bill is patterned after a production sharing arrangement first adopted in Indonesia and now in use in 11 countries around the world. A more complete explanation appears at the conclusion of my remarks. However, very briefly, the bill would increase from 16⅔ to 36 percent the amount which an oil company is required to pay the Government from production revenues, prior to initial exploration costs being recovered. After the initial cost recovery, that payment would increase to 60 percent of production revenues minus actual ongoing operating costs. The bill would apply to all leases awarded after the date of its enactment.

I believe the adoption of this measure will accomplish four things:

First, it would allow the American citizen to receive a substantial benefit from the higher prices being paid for oil produced on his lands.

Second, it will encourage faster development of offshore oil and gas resources by permitting more rapid leasing of Federal offshore lands.

Third, it will increase competition within the petroleum industry, by enabling the smaller oil companies to participate in offshore leasing.

Fourth, it will generate additional Federal revenue so that a portion of such revenues may be returned to the several coastal States without loss to the Federal Treasury. Financial assistance is needed by the coastal States to encourage development and to compensate them for the adverse impact of Outer Continental Shelf development.

The present leasing system runs counter to all of these objectives.

Under the present system an oil company operating on Federal offshore lands pays the Government a royalty of 16⅔ percent of the oil and gas produced. However, the Government's principal compensation comes from the large cash bonuses which the companies pay in bids for the right to drill on these tracts. Only the very largest oil companies have been able to afford to take full advantage of this type of proposal.

INSURING FAIR COMPENSATION TO THE AMERICAN TAXPAYER

While the present system results in a large initial cash payment, the American citizen receives very little from what may be an extremely valuable oil and gas discovery on his lands. If the lease proves to be undervalued by the companies who bid on the tract, the Government has no way to share in what may be a bonanza. This becomes far more important today than it has been in the past due to higher oil prices and the President's desire to greatly increase the schedule of lease sales. As S. David Free-

man of the Ford Foundation's energy project noted in the Washington Post in April of 1974, since the Government does not know the value of what it is selling until wells are drilled, a rapid acceleration of leases under the present system could result in leases going for prices which do not protect the interest of the American taxpayer.

I believe my bill increasing the share of the proceeds from the sale of the oil and gas once found and produced would insure that the taxpayer received a fair compensation for these valuable minerals regardless who was paid in initial bonuses. In addition, by taking the bulk of the Government's compensation from the sale of these minerals the Government's revenue will increase with oil prices—allowing the American taxpayer to share in the higher oil prices he is being asked to pay.

ALLOW MORE RAPID LEASING

Since the high initial bonus payments are presently the Government's principle means of compensation, the concern for maintaining those high payments has been one of the principal restraints to faster leasing schedules.

This became painfully obvious on February 5 of this year when the Interior Department opened bids for 515 tracts off south Texas, but found offers for only 143 of the tracts. Industry officials blamed the high cost of bonus bids and the "capital crunch" for the failure of the lease offering.

Heretofore, lease sales have been timed to maximize bonus bids rather than to maximize the exploration and development of offshore lands. And the recent Texas situation points to the folly of continuing this set of priorities.

Increasing the number and size of these sales is one of the fastest ways of making our Nation more energy self-sufficient. Less than 3 percent of the 186 million acres in the Federal Outer Continental Shelf is presently under lease yet we are producing more than a million barrels of oil a day from these leases. The Secretary of Interior has testified that the potential recoverable petroleum resources remaining on the Outer Continental Shelf is estimated to be 200 million barrels of crude oil and natural gas liquids and about 850 trillion cubic feet of natural gas.

Just the oil and liquids alone would increase our present reserves six times over. We must accelerate our leasing of these tracts but we must do so in a manner which insures the American taxpayer gets his fair share of the value of that production. As leasing is accelerated there is sincere and justified concern that the bonus bids will continue to decrease in size as greater number of bids are required. Thus there is a need to move away from bonus bidding in order to protect Federal revenue. I believe my bill substantially increasing the amount paid once production is found will meet this need.

INCREASE PARTICIPATION BY SMALLER PRODUCERS

A rapid acceleration of lease sales under the present system would not only endanger the taxpayers interest, it would award leases to those who could raise the most money the fastest rather than those who could best evaluate and develop our natural resources. One of the worst features of the present system's reliance on high initial cash payments is the advantage it gives the large companies over the smaller ones—the major over the independents. In an offshore lease sale last year one tract went for a record $211 million—$100 million over the next highest bid. If more independent producers and more smaller companies are going to play an active role in the development of offshore lands, these bonuses must be brought down. Not only are larger companies in a better position to raise the high initial bonus, they can better afford to lose it if they guess wrong on a lease and the lease does not prove as productive as was hoped. Under my measure providing the principal Government payment out of production after it is found, the smaller company's loss will not be so severe if the lease turns out to have been overvalued.

In addition, these bonuses are unproductive capital being expended before one drop of oil is found. The present high initial payments out of cash badly needed for exploration and low Government participation once production is found makes no sense if we want to increase domestic oil and gas production and if we want to enhance competition within the petroleum industry.

REDUCTION IN THE PRESENT HIGH BONUSES

My legislation would retain the bonus bids as an impartial means of determining who would be awarded the right to drill on the lease. However, the measure would so increase the amount to be paid to the Government once production is obtained that these bonuses would be greatly deemphasized.

Payments out of production of the magnitude required in this bill would force lower initial bonus bids thus allowing greater participation by smaller companies while still protecting the American taxpayers' interest. One independent producer has estimated that initial bonuses would be reduced to one quarter of the current expenditure. But in the long run, the Government would receive more revenue from the production on its lands. And it would get that production sooner than it will under the present system, due to accelerated lease sales. And again it would help avoid lease sale failures like the one which occurred in February of this year.

Mr. President, since I originally urged this change in the offshore leasing system, the concept has been endorsed by the Joint Economic Committee in an annual report, the president of the Coastal States Organization and by the executive committee of Texas Independent Producer and Royalty Owners, a group representing smaller producers. In fairness, I would add that it has been criticized by some members of the industry, particularly major oil companies. But, Mr. President, my proposal only requires the operating company to give the United States the same type of arrangement being used in 11 countries around the world. My bill requires them to give the American taxpayer the same deal they are giving foreign governments.

Mr. President, I would add, that while this legislation requires the Secretary of the Interior to lease future oil and gas tracts on the basis of production sharing, he has the authority to do so under existing law. I would urge the Secretary not to wait for a legislative requirement but to act now to increase the share of production which the American taxpayers receive on future lease sales.

COASTAL STATES COMPENSATION

Mr. President, as I mentioned earlier, my amendment would also allow Outer Continental Shelf revenue to go to the several coastal States to compensate for the environmental, social and economic impact of offshore drilling. Because the measure greatly increases Federal revenues, it is not anticipated that this portion of the bill would reduce Federal revenue from today's levels.

The Senate recognized that there is a need to compensate the several coastal States for the impact of Outer Continental Shelf development when it passed S. 3221 last year. However, it has become evident that the Coastal States Fund set up by S. 3221 would be woefully inadequate to meet the States' actual needs.

The Coastal States Organization, which represents all the various coastal States has conducted a careful survey to determine the actual financial needs of the several States in regards to Outer Continental Shelf development. The organization's able president, Texas State Senator A. R. Swartz has testified that the coastal States need between $800 million and $1.2 billion annually to cope with energy resource development and related facility siting. The average of this range, or $1 billion is roughly 15 percent of the $6.7 billion that the Federal Government earned from Outer Continental Shelf leasing in 1974. For that reason, my amendment would allocate 15 percent of the Federal revenue from offshore oil and gas production to the coastal States in the following manner:

Two-thirds of that amount would be paid into a special fund to be known as the Coastal States Fund; and

One-third of the amount would be paid directly to the several coastal States in proportion to the amount of oil and gas produced off the coast of each such State.

The Coastal States Fund would be administered by the Secretary of Commerce and would be administered to the States in the form of impact grants. The grants would be approved by a formula which would take into consideration the actual or anticipated environmental, social, or economic impact of the energy development of the Outer Continental Shelf. The formula would also take into consideration the amount of energy production off the State's coast and would be developed in coordination with the Coastal Zone Management Act of 1972. There is precedence for the development of such a formula in the form of the Texas input-output model which demonstrated that the development of the

Outer Continental Shelf off Texas coast has resulted in a net cost to the State of $62.1 million a year. A similar study for the State of Louisiana has indicated a yearly net loss to that State of $40 million.

Thus actual impact figures for offshore energy development are available, and establishing a fund to meet these costs will fairly distribute the Federal funds that are needed by the several States. And combining this impact formula with direct payments will greatly reduce the coastal States hesitancy to develop the energy that can be obtained off their coasts.

But to be effective the funds going to the States must be sufficient to meet the States needs. Other legislation on this topic now before the Senate all contain the intent of fully compensating the several States for the adverse impact of offshore oil and gas development. However, in each case, arbitrary numbers are used to set the levels of funds available, and this has proven to be inadequate. It is for that reason that I have gone to the Coastal States Organization to obtain the actual State estimates of impact need. In setting the compensation at the level that the States estimate they need, and combining the compensation with an offshore payment system that will substantially increase Federal revenues, I feel confident that this is a logical package to meet this portion of the challenge of offshore energy development.

Mr. President, I ask unanimous consent that a summary of this proposal be printed in the RECORD.

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

SUMMARY OF THE PROVISIONS OF AMENDMENT TO OUTER CONTINENTAL SHELF LANDS ACT

1. The present method of awarding leases on the basis of impartial bonus bids is retained.

2. In place of the present royalty payment a production sharing concept is adopted under which the following division is made:

(a) Up to 40% total production will be assigned to the operating company for recovery of actual costs as long as those costs justify a 40% share and if not, whatever lesser percentage of production is necessary to fully recover actual costs. In the later stages of production the Secretary may approve a payment for actual costs in excess of 40% of total production. If the Secretary finds that such expenditures are necessary to obtain the maximum recovery of oil and gas.

(b) The remaining 60% of total production or whatever amount in excess of the production being devoted to costs in Subsection (a) will be divided between the Government and the operating company. The Government will receive 60% of the proceeds from the sale of this production and the operating company will receive 40%, unless the Secretary prescribes a lower percentage for the Government prior to the time of the notice for bids on the lease. However, in no instance can the Secretary prescribe a Government share less than 50%.

3. All actual costs on offshore lands will be submitted and justified to the Secretary of Interior under such regulations he may prescribe.

4. The Government will be authorized to take up 16⅔% of total production (out of its share) in oil and natural gas, i.e. "in kind", as they can under present payment procedures. This provision will insure that small business refiners who currently have first call on this production continue to have it available.

5. Present system for the number of acres to be offered for lease would remain the same as today's.

6. To compensate for the adverse impact of offshore energy development, 15% of the Federal revenue obtained from offshore leasing and energy production will be divided in the following manner:

(1) ⅔ shall be paid into a fund to be administered by the Secretary of Commerce. The Secretary shall make grants from this fund to the various Coastal States according to an impact formula, and in accordance with the Coastal Zone Management Fund.

(2) ⅓ shall be paid directly to the several Coastal States in proportion to the amount of oil and gas produced off the coast of each such State.

In essence, the effect of this legislation would be to provide the Government with a firm 36% of the proceeds from the sale of oil and gas produced from Federal lands before the operating company recovers initial costs. (I.E. 60% of 60% under the normal 60–40 split.) This would be over twice the 16⅔% share of production presently being received by the Government. After the operating company recovers initial costs the Government's share would increase from 36% to 60% of total production, minus the operator's ongoing actual production costs. While bonus bidding will be continued as a means of awarding leases, the size of the bids will be reduced due to the higher participation payments being required. The reduction in these bonuses will allow greater participation by smaller operators in offshore exploration and development while still insuring the American taxpayer receives substantial compensation for the sale of his resources. The increased revenue to the Federal Government would allow the Coastal States to be compensated for the adverse effect of offshore energy development without a net loss occurring for the Federal Treasury.

By Mr. HATFIELD:

S. 1384. A bill to designate certain lands for inclusion in the National Wilderness Preservation Sytem. Referred to the Committee on Interior and Insular Affairs.

OREGON OMNIBUS WILDERNESS ACT

Mr. HATFIELD. Mr. President, I introduce and send to the desk the Oregon Omnibus Wilderness Act. This legislation would create six new wilderness areas and enlarge eight existing wilderness areas in my State. These areas are identical to those included in similar legislation which I introduced on March 12 of last year.

Introduction of this legislation today is a part of a continuing effort to insure the protection of some of the unique areas within the National Forests in Oregon. I believe that wilderness is a valid use of the public lands and that we can withdraw some areas from other uses if we upgrade the quality of management on other areas.

I want to make it very clear that the areas and boundaries included in this legislation are not set in concrete. It is essential that thorough hearings be conducted so that the views of all interested citizens can be considered before final boundaries are drawn. Economics and the Nation's housing requirements will be considered along with the need for recreation, solitude and spiritual renewal, all of which are a part of the wilderness experience. This bill really represents a vehicle for determining just what Oregon's wilderness needs are.

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

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

S. 1384

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be known as the Oregon Omnibus Wilderness Act.

SEC. 2. In furtherance of the purposes of the Wilderness Act (78 Stat. 391; 16 U.S.C. 1132(b)), the following lands, as generally depicted on maps appropriately referenced, date February 1974 are hereby designated as wilderness—

(1) certain lands within the Umpqua National Forest, Oregon, which comprise about nineteen thousand two hundred acres, are generally depicted on a map entitled "Boulder Creek Wilderness Area—Proposed," and shall be known as the Boulder Creek Wilderness;

(2) certain lands within the Mount Hood National Forest, Oregon, which comprise about seventeen thousand two hundred acres, are generally depicted on a map entitled "Bull of the Woods Wilderness Area—Proposed," and shall be known as the Bull of the Woods Wilderness;

(3) certain lands within the Siuslaw National Forest, Oregon, which comprise about six thousand one hundred acres, are generally depicted on a map entitled "Cummins Creek Wilderness Area—Proposed," and shall be known as the Cummins Creek Wilderness;

(4) certain lands within the Deschutes National Forest, Oregon, which comprise about eight thousand acres, are generally depicted on a map entitled "Diamond Peak Wilderness Additions—Proposed," and shall be included as a part of the Diamond Peak Wilderness;

(5) certain lands within the Fremont National Forest, Oregon, which comprise about three hundred and sixty acres, are generally depicted on a map entitled "Gearhart Mountain Wilderness Additions—Proposed," and shall be included as a part of the Gearhart Mountain Wilderness;

(6) certain lands within the Siskiyou National Forest, which comprise about one hundred thirty-four thousand and twenty acres, are generally depicted on a map entitled 'Kalmiopsis Wilderness Additions—Proposed", and shall be included as a part of the Kalmiopsis Wilderness;

(7) certain lands within the Mount Hood Wilderness, Oregon, which comprise about fifteen thousand five hundred acres, are generally depicted on a map entitled "Mount Hood Wilderness Additions—Proposed", and shall be included as a part of the Mount Hood Wilderness;

(8) certain lands within the Willamette National Forest, Oregon, which comprise about five thousand six hundred and fifty acres, are generally depicted on a map entitled "Mount Jefferson Wilderness Additions—Proposed", and shall be included as a part of the Mount Jefferson Wilderness;

(9) certain lands within the Deschutes National Forest and the Willamette National Forest, Oregon, which comprise about five thousand two hundred and thirty acres, are generally depicted on a map entitled "Mount Washington Wilderness Additions—Proposed", and shall be included as a part of the Mount Washington Wilderness;

(10) certain lands within the Rogue River National Forest and the Winema National Forest, Oregon, which comprise about one hundred seventeen thousand four hundred

and thirty acres, are generally depicted on a map entitled "Sky Lakes Wilderness—Proposed", and shall be known as the Sky Lakes Wilderness;

(11) certain lands within the Malheur National Forest, Oregon, comprising about seventeen thousand eight hundred acres, are generally depicted on a map entitled "Strawberry Mountain Wilderness Additions—Proposed", and shall be included as a part of the Strawberry Mountain Wilderness;

(12) certain lands within the Deschutes National Forest and Willamette National Forest, Oregon, comprising about twenty-eight thousand and ninety acres, are generally depicted on a map entitled "Three Sisters Wilderness Additions—Proposed", and shall be included as a part of the Three Sisters Wilderness;

(13) certain lands within the Umatilla National Forest, Oregon and Washington, comprising about two hundred thousand acres, are generally depicted on a map entitled "Wenaha-Tucannon Wilderness—Proposed", and shall be known as the Wenaha-Tucannon Wilderness;

(14) certain lands within the Mount Hood National Forest, Oregon, comprising about seventeen thousand nine hundred and ninety acres, are generally depicted on a map entitled "Zigzag Mountain Wilderness—Proposed", and shall be known as the Zigzag Mountain Wilderness.

SEC. 3. As soon as practicable after this Act takes effect, the Secretary of Agriculture shall file a map and a legal description of each wilderness area with the Interior and Insular Affairs Committees of the United States Senate and House of Representatives, and such description shall have the same force and effect as if included in this Act: *Provided, however*, That correction of clerical and typographical errors in such legal description and map may be made.

SEC. 4. Each wilderness area designated by this Act shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the effective date of this Act.

By Mr. HUMPHREY:

S. 1385. A bill to designate a national network of essential rail lines; to authorize the Secretary of Transportation to acquire, rehabilitate, and maintain rail lines; to require minimum standards of maintenance for rail lines; to provide financial assistance to the States for rehabilitation of rail lines, and for other purposes. Referred to the Committee on Commerce.

RAILROAD REHABILITATION AND RECOVERY ACT OF 1975

Mr. HUMPHREY. Mr. President, today I am introducing the Railroad Rehabilitation and Recovery Act of 1975. This legislation is intended to provide a solution to one of the most serious problems facing our national railway transportation system—the continuing deterioration of the tracks which carry our trains. The bill is being introduced concurrently by Congressman ANDREW MAGUIRE of New Jersey.

One of the principal failures of many of the major rail companies has been inadequate maintenance of track and railbeds. Yet the need for an effective rail system is made increasingly clear as we pursue a balanced, integrated national transportation system incorporating energy-effective ways of transporting passengers and freight.

While it might be expected that new heavy demands on any mode of transportation would create some problems, the situation facing the railroads is more severe. Because they were already plagued with financial difficulties, the companies deferred maintenance of these facilities in order to make short-run savings. But this became a self-defeating effort. As conditions of the track and roadbed became worse, increasingly rapid deterioration occurred. The repair costs became increasingly formidable, and even minimal maintenance costs eventually became overwhelming.

Semipermanent "slow" orders where trains are forced to crawl over major segments of their routes due to the condition of track and roadbed, as well as increasing numbers of derailments—in spite of slow orders, and increasing inconvenience which persuades shippers and passengers to use other modes of transportation, only exacerbate the financial situation of the companies which have engaged in these practices. The problem becomes a vicious circle, a circle which cannot be ended by routine efforts.

What we are clearly facing is an escalating crisis for our national rail transportation system—with a clear impact on the effectiveness of our national transportation system.

The present legal problems facing ConRail, combined with its formidable abandonment plans, indicate that the situation can only be expected to become worse.

The U.S. Railway Association, in releasing its preliminary system plan for the Northeast and Midwest bankrupt systems, recently admitted that the situation was worse than anticipated. Recent legislation to provide emergency funds and to add the Erie-Lackawanna to the system is indicative of the magnitude of the problems we face in maintaining an efficient rail system.

The solution I am proposing to this grave national problem would provide for Government maintenance of the tracks and roadbeds of those companies which find themselves unable to meet the high standards proposed in this legislation. Alternative proposals have, of course, been made. It has been suggested that Government grants and loans should be provided to railroad companies in order to allow them to make the repairs themselves.

This might suffice for the short-term, but without long-term improvement in the general financial condition of the railways, there is little to guarantee that deterioration of track and railbeds will not be a recurring malady afflicting our Nation's transportation capabilities. Proposals to create a nonprofit corporation to which rail lines may be conveyed have also been made.

Mr. President, I believe we must use the present crisis in national rail transportation to work out a long-term, permanent solution to this problem. An efficient and effective rail system is a national priority. It is not something which should be dealt with on a piecemeal basis. We need to establish a national policy to provide for both satisfactory central corridor service and adequate maintenance of branch lines—the latter are especially important to our rural agricultural economy.

Just as there has been no clear effort to work out a national policy for the rail system as a whole, there has been no consistent attempt to evaluate the implications of rail abandonment on America's rural economy, or to establish effective and economical means to preserve rural rail transportation. The size of our national rail system reached its peak in 1916, with a total of 254,000 miles. It has since then shrunk to the present level of about 204,000 miles, and the ICC has been besieged by a flood of requests for further abandonments. Abandonment applications filed with the ICC for 1971, 1972, and 1973 alone involve 16 percent of the total number of miles abandoned since 1920. The 266 applications filed in 1973 involved more than 4,400 miles, a record for any year since the ICC assumed responsibility for abandonment proceedings.

Further, the ICC has advocated easing the process of approval for abandonment, stipulating 34 carloads per mile per year as the cutoff point below which abandonment would be looked on favorably. This simply encourages sloughing off of service on economically marginal lines, and does not take into account the potentials for future development, the need for present service, and the impact of inadequate rural transportation on the availability or price of farm goods for our cities.

Railroads are the mainstay of our grain transportation system; in addition, they handle a large part of our fertilizer and other agricultural inputs. However, railroads have not been successful in keeping some types of traffic on rails. Since 1960, the volume of traffic moved by railroads has increased from 579 billion ton-miles to over 785 billion, but railroad traffic as a percentage of total freight traffic has declined from over 44 percent in 1960 to about 38 percent in 1972.

In my own State of Minnesota, an opportunity to take part in a Federal-State program to boost agricultural exports may be blighted by inadequate rural transportation—and this loss can only be hastened by continued rail line abandonments.

It is for this reason that I feel that we must undertake a major innovation in our national rail policy.

The bill I am introducing establishes an Interstate Railroad System under the authority of an Interstate Railroad Administration in the Department of Transportation, and a series of local railroad systems under the control of the individual States. The Interstate Railroad Administration and the States have the authority to become owners of and to maintain the tracks and railbeds of those companies which choose to convey their tracks to the Interstate Railroad Administration and the States in order to be relieved of the financial strain of remaining responsible for their maintenance.

The Interstate Railroad System will

include initially all lines with traffic of over 10 million gross ton-miles per year per mile of rail line. This will include about 50 percent—about 100,000 miles—of track mileage in the country, and about 80 percent of the traffic. Those tracks which are determined unnecessary for the system because of redundancy may be deleted from the final system.

All lines in the designated system must be kept up to a specified standard—safe and smooth passage of freight trains up to 60 miles per hour. Maintenance for higher speeds on given systems may also be required by the Secretary.

All railroad companies could, at their option, convey their tracks to the Interstate Railroad Administration in return for being relieved of responsibility for track maintenance and property taxes. Rail tracks conveyed to the Interstate Railroad Administration which are not included in the final Interstate Railroad System would be turned over by the Administration to the States in which such lines are located. The States would then have responsibility for maintenance of these lines. These transactions would not affect the lines' bondholders and other railroad creditors. Security interests of creditors remain a charge on the property owned by the Administration and the States.

Those companies preferring to retain possession of their present tracks are free to do so. It is thereafter their responsibility to maintain any of their track routes designated as part of the Interstate Railroad System at quality levels required by this legislation.

Both ConRail and Amtrak will continue to exist as independent organizations, responsible for operating regional rail freight and national rail passenger service respectively. Track beds, however, meeting the criteria for inclusion in the Interstate Railroad System would be maintained by the Administration. Those not conveyed to the System would have to be maintained in accordance with Interstate Railroad Administration standards.

The savings for companies which conveyed their rail tracks to the Administration and the States would be considerable. According to the latest estimates companies would save 85 percent of total maintenance of way and structures expense, about 15 percent of total payroll taxes, and about 60 percent of total State and local property taxes. While these companies would then be required to pay a user fee of $1 per 1,000 gross-ton-miles, most will still make a considerable savings over present costs.

Mr. President, I ask unanimous consent that a table indicating the estimated cost of the items of expense which would be assumed by the Interstate Railroad System and the States for the major rail companies be included at this point in the RECORD. These statistics are derived from information submitted by the railroads to the Interstate Commerce Commission.

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

	1972			1973		
	1	2	3	1	2	3
PC	$254	$220	$1.15	$266	$225	$1.18
EL	31	37	.83	37	38	.97
RDG	18	9	2.00	18	8	2.25
BM	13	7	1.17	14	7	2.00
LV	7	6	1.17	9	6	1.50
B. & O	82	64	1.28	81	68	1.19
C. & O	64	56	1.14	70	58	1.20
N. & W	100	111	.90	106	115	.92
D. & H	6	5	1.20	7	6	1.16
ICG	73	71	1.05	77	73	1.05
L. & N	71	74	.95	76	78	.97
SCL	97	85	1.14	101	89	1.13
SOU(Co)	82	68	1.20	86	70	1.23
MILW	57	47	1.21	59	48	1.23
CNW	50	52	.96	50	55	.90
BN	164	161	1.01	185	177	1.04
SOO	25	19	1.31	28	22	1.27
RI	43	50	.86	42	52	.80
ATSF	135	136	.99	151	161	.94
DRGW	16	19	.84	17	20	.85
ST(TCo)	164	178	.92	160	191	.84
UP	102	130	.78	119	150	.79
WP	14	15	.93	14	15	.93
KCS	17	16	1.06	17	18	.94
MKT	10	13	.77	12	15	.80
SL-SF	36	37	.97	38	40	.95
MP	71	70	1.01	71	85	.83

NOTES

1. 85 percent of maintenance of way and structures expense, plus 15 percent of payroll taxes, plus 60 percent of State and local property taxes (millions).
2. Gross ton-miles in road service cars and locomotives billions).
3. 1 divided by 2—Maintenance and taxes per 1,000 gross ton-miles.

Mr. HUMPHREY. Mr. President, rail companies which convey their tracks to the Interstate Railroad Administration shall convey their remaining tracks to the States. Companies with no designated Interstate Railroad System tracks may convey their tracks to the States. Any tracks acquired by the administration and later deleted shall be conveyed to the States.

No State may abandon any rail track unless it gives notice, at least 1 year prior to the commencement of a general session of the State legislature, to the chief executive of the communities and regional agencies through which the line extends, all rail carriers operating on the line, and all shippers who patronize the line. Abandonment may not take place until after adjournment of such session. No company retaining its tracks may abandon a track without going through a similar procedure.

The maintenance of rail tracks conveyed to the administration and the States will be financed through a user's fee. Rail companies operating over rail lines of the Interstate Railroad Administration or States would pay $1 per 1,000 gross-ton-miles—to be adjusted annually according to rates of inflation.

Income from this user charge would be applied to meeting the costs of rail track maintenance. According to the latest estimates, if all companies were to convey their tracks to the administration and the States, this would yield about $2 billion revenue in comparison to $1.86 billion annual average maintenance costs. If the wealthiest companies with the best maintenance record choose not to convey their track systems, revenue will be about $1.32 billion and costs about $1.28 billion.

Since there is a great backlog on railroad improvement, additional funds are needed to bring tracks back up to the required standard. A Rail Rehabilitation Trust Fund is established for that purpose. There have been a number of suggestions for providing the money for that trust fund. The Railroad Right of Way Protection Act authorizes the appropriation of $500 million per year over a 6-year period directly into the trust fund for purposes of rehabilitation. An alternative approach, contained in other legislation already introduced, proposes financing railroad rehabilitation costs through a 1-percent tax on the cost of transportation of all domestic freight shipments by surface freight carriers—rail, track, barge, and pipeline.

There are two mechanisms in the bill to enable the States to meet the increased costs of their new responsibilities. First, there is a direct appropriation for payment to the State and local governments of property taxes of which railroads would be relieved by conveying rail routes. Taxes on rail property are an important source of revenue to many local governments, and the Federal Government should step in to replace this revenue. The Federal payment would be around $250 million per year, were all railroads to convey their rail tracks and thus obtain relief from property tax liability; or about $150 million per year if the more profitable railroads decide to retain their own track systems.

In addition, 10 percent of the funds earned by the Interstate Railroad Administration from the user charges will be set aside for the States, to cover a portion of the track maintenance costs of the States.

There is one last issue of considerable importance dealt with in the bill, and that is the issue of labor relations. The Interstate Railroad Administration or the States shall continue to employ those previously employed by the companies, and shall assume the existing collective bargaining agreements between the company and the employees. They shall be subject to the same laws regarding employee-employer relations. There are also guarantees for the prevailing wage and other prospective clauses.

The concept of public acquisition and maintenance of railroad tracks and roadbeds has significant advantages over the alternative concept of Federal subsidization of the efforts of the private railroad companies.

Federal ownership of tracks and roadbeds should enable us to achieve efficiency in track usage, avoiding duplication of facilities while at the same time enabling us to establish a national perspective on our needs. Enactment of this legislation does not deprive us of the advantage of competition between private carriers, since the carriers themselves will still be operating competitively. The public will not be faced with the transfer of company funds for other uses while the quality of track and roadbed, so basic to effective rail transportation, is allowed to deteriorate.

The uniform user fee established in this bill will put the rural rail system on the same footing as the rural trucking system. The urban and heavy density trucking routes have essentially financed the construction of much of our rural road system, and we now recognize this as a national transportation need. We should now recognize that the same need

exists for our rural rail system, and that the profit figures for particular rural lines should not be the sole criterion for determining whether or not such a line should continue to serve the needs of rural and, indirectly, urban America.

In summary, the approach specified in this legislation would enable us to obtain the benefits of having public control over a vital aspect of national transportation policy, while retaining the benefits of private competition between companies for the most efficient conveyance of persons and goods.

Mr. President, I ask unanimous consent that the text of the Railroad Rehabilitation and Recovery Act be included in the RECORD. I also ask unanimous consent that a thought-provoking editorial, posing serious public policy questions in connection with current railroad reorganization plans, and appearing in the March 3, 1975 issue of the Washington Post, be printed in the RECORD, together with a summary of the main features of the Railroad Rehabilitation and Recovery Act of 1975, and the bill itself.

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

THE RAILROAD PLAN AND THE COUNTRY

The proposals made public last week for restructuring the railroads of the Northeast should force this country to face a series of hard questions it has avoided in the past. These concern not only railroads but the relationship of government to private industry; not only transportation but the system of hiding the costs of social policies in prices rather than paying for them out of taxes; not only the planning of a railroad network but the changing of the economic structure of a major part of the nation. The questions and problems raised by the railroad crisis are so hard, and their prospective answers so far-reaching, that the last thing the country needs now is for politicians to brush aside as impractical—or to embrace as inevitable—the proposals made last week.

These problems arise partly because of the economic condition in which the country now finds itself and partly because of the critical condition of the railroads. The American economy cannot continue to operate as it does now without a viable railroad network in the Northeast. Nor can it afford to continue the aimless course of public policy that has contributed to the bankruptcy of this vast railroad network. The "easy" solutions—pouring in billions in federal tax dollars to preserve the status quo or nationalizing the existing system with all its faults—will be far more expensive in the long run. And they will be misleading to the public which should be presented with the hard questions now.

One part of the U.S. Railway Association's preliminary plan demonstrates the scope of those questions. That is its proposal to cut the rail network in the Northeast by almost 30 per cent through the elimination of freight service over 6200 miles of track. On much of this track, freight operations have been uneconomical for years. They have been continued because someone—government or industry—decided the social costs of eliminating those operations were too high. The result is that these operations are being (and have been) subsidized by the railroads, and the subsidy has been paid for either through higher than necessary freight rates on other segments of track or out of the profits of the railroads. This system of subsidization did not cause much grief as long as the railroads were profitable; the railroads complained but no one listened. But when general railroad profitability dropped, these inherently unprofitable lines made bankruptcy inevitable.

In economic terms, the obvious thing to do now is what the Railway Association proposes: drop those lines (perhaps drop even more than it proposes) and put the new railroad system on a firm financial base. But what happens then to those companies, individuals and communities that lose rail freight service? Some, perhaps most, can shift successfully to other modes of transportation. But there will be those which cannot, and *that* means some factories will close, some jobs will be lost, and some communities be made substantially poorer.

There are two ways of looking at this problem. One is to consider it solely in terms of the present—in which those companies and individuals are entitled to some kind of help. The other is to acknowledge its relation to the past—a past in which the railroads, and the users of railroads, have been providing that "help" or subsidy all along. The tendency now will be to look only at the present situation and to devise remedies for it. But that is too narrow a perspective, for it attacks only the results of a disease, not its underlying causes.

By dwelling on the problem of uneconomic railroad lines, we do not intend to suggest that they are the sole, or even the principal, reason for the decline of the railroads. Government-imposed rate structures, government-financed highways and waterways, inefficient management, resistance to innovation and excessive labor costs, among other things, have also played a part. Our point is simply that in the area of service on lightly used lines, as in other areas, a combination of government policies and private decisions have produced an economic structure with a huge amount of excess costs built in.

This, unfortunately, is also true in industries other than railroading. Part of the current problem in the airline industry has the same origins, as do problems in other industries which are required as a matter of public policy to provide services or products to particular places or people at less than cost. These, too, will come back to haunt the country someday unless public officials begin to look seriously at costs as well as benefits.

It is the size, of course, of the new railroad reorganization proposals that may begin to drive this lesson home. The Railway Association is talking about $9.3 billion in federal tax funds over the next 15 years to rehabilitate the sharply reduced railroad network and clear the Penn Central's Washington to New York track for passenger service. Not included in that figure are the costs of either helping the communities and individuals disrupted by the plan or of maintaining the existing rail network. Frankly, we suspect the proposal will cost more than $9.3 billion but that prospect must be weighed against the alternatives and against what governments have been spending on other kinds of transportation which compete with the railroads. The Railway Association says governments spend about twice that much on highways each year and has spent at least half that much improving inland waterways (which now carry 16 per cent of the nation's freight) since World War II.

There is too much at stake in this reorganization plan for it to be taken with anything less than utmost seriousness. The quality of life and the costs of everyday living in the Northeast for years to come will be determined, in part, by what comes out of this plan. So will the relationship between industry and government in fields other than railroading. While there are many specifics of the plan which need close scrutiny, the most important aspect is the opportunity it provides—indeed, imposes—for serious thought about where public policy is taking us and whether that is where we want to go.

SUMMARY OF RAILROAD REHABILITATION AND RECOVERY ACT OF 1975

1. Creates an Interstate Railroad System under authority of the Interstate Railroad Administration in the Department of Transportation which will acquire, rehabilitate, maintain and modernize the rail lines of the System (Title III);

2. System will initially consist of all rail lines with 10 million gross ton miles per year per mile. Additions or deletions can be made after public hearings (Sec. 202);

3. Rail lines not conveyed to the System may be conveyed to States which will then provide for rehabilitation and maintenance of lines and other relief (Sec. 401);

4. Rail lines deleted from Interstate Railroad System may be conveyed to State. Abandonments may not take place for at least one year during which time the economic consequences will be determined. State will have ultimate authority on abandonment. (Sec. 403e and 503);

5. Changes in rail freight and passenger carriers' operations must be approved by the ICC for freight and the Administration for passengers. (Sec. 406 and 407);

6. Funding provisions for five purposes are provided for:

a. $2 million for costs of setting up the system;

b. maintenance: funded by user charge of $1.00 per 1000 gross ton miles paid by carriers using the rail lines, to the IRA and the States, respectively. Ten percent of user charges paid to the IRA also is reserved for States' maintenance assistance;

c. rehabilitation: a Trust Fund funded by appropriations from general revenues ($500 million per year for 6 years). Secretary of the Treasury is directed to invest portions of the Trust Fund not needed for current withdrawals in interest bearing or guaranteed obligations of the U.S. (Sec. 409);

d. open-end authorization for DOT–IRA administrative costs;

e. Secretary of Treasury will pay State and local taxes for all System lines out of a separate authorization (Sec. 402).

7. Employees of the individual carriers will be retained and collective bargaining agreements assumed by the IRA and the States (Title VI).

8. Standards set for the IRA and States' lines must be met by companies which retain their lines. (Sec. 206c).

9. Oversight and enforcement advisory committee established (Title VII).

S. 1385

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 "Railroad Rehabilitation and Recovery Act of 1975."

TITLE I—FINDINGS, PURPOSES AND DEFINITIONS

CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSES

SEC. 101. The Congress finds that modern, efficient rail service is essential to interstate commerce and to national defense; that the international energy crisis requires more intensive use of fuel-economic freight and passenger trains; that better utilization of existing rail rights-of-way is more compatible with the environment in terms of land use, air pollution, and noise levels than is expansion of facilities for other modes of transportation; that many railroad tracks and roadbeds have greatly deteriorated in recent years; that such deterioration has resulted in inferior railroad transportation for both freight and passengers, together with a sharp increase in train derailments; that rehabilitation of such tracks and roadbeds will provide substantial public benefits through improved rail freight and passenger service; that both the efficiency and quality of rail-

road service and the economic utilization of the railroad plant can be improved by freer access by rail carriers to rail lines and facilities they do not own; and that to obtain modern and efficient rail service it is necessary to designate an Interstate Railroad System; to authorize the Secretary of Transportation to acquire, rehabilitate, maintain, modernize and restructure the rail lines included within such system; to transfer to the States responsbility for maintenance of rail lines not included within such system; to require minimum standards of maintenance for rail lines; to establish rights of access by rail carriers to rail lines they do not own; and to provide Federal financial assistance to the States for rehabilitation of rail lines.

DEFINITIONS

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

(1) "Administration" means the Interstate Railroad Administration established pursuant to section 301 of this Act;

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

(3) "Office" means the Rail Services Planning Office of the Interstate Commerce Commission established by the Regional Rail Reorganization Act of 1973;

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

(5) "railroad company" means a class I or class II railroad, including the Consolidated Rail Corporation and switching and terminal companies, as designated by the Interstate Commerce Commission and which are subject to part I of the Interstate Commerce Act together with all subsidiaries, affiliates, and leased lines of such companies;

(6) "rail line" includes main rail track or tracks; side tracks and yard tracks adjacent to such main tracks; the roadbed supporting such tracks; signalling, communication, and power transmission structures and devices as are permanently installed on or adjacent to such tracks and roadbed; bridges, culverts, fills, tunnels, and other structures occupied by such tracks and roadbed; real estate occupied by such tracks and roadbed; real estate adjacent to such tracks and roadbed which is used for drainage of, maintenance of, access to, and protection of such tracks and roadbed; but does not include classification yards; station and terminal tracks and facilities, other than running tracks; any structures and devices other than those specified in this paragraph; and does not include air rights over, nor mineral rights under, such tracks and roadbed;

(7) "Secretary" means the Secretary of Transportation;

(8) "State" includes the District of Columbia; and

(9) "System" means the Interstate Railroad System pursuant to this Act.

TITLE II—INTERSTATE RAILROAD SYSTEM

INVENTORY OF RAIL LINES

SEC. 201. (a) Within thirty days after the date of enactment of this Act, all rail carriers shall provide the Secretary and the Office with one copy each of the latest edition of all employees operating timetables, with related special instructions; all temporary and semi-permanent "slow orders" currently in effect; all other current restrictions on train operation not included in the preceding items; and a verified statement indicating the maximum speeds authorized on each and every rail line for freight and passenger trains at all times since January 1, 1935, including the dates between which such speeds were authorized.

(b) Additions, deletions, and changes in the information required to be provided by subsection (a) shall be promptly forwarded to the Secretary and the Office within seven days after any such addition, deletion, or change is made.

INITIAL DESIGNATION OF SYSTEM

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

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

HEARINGS BY COMMISSION

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

RECOMMENDATIONS OF COMMISSION

SEC. 204. Within one hundred and twenty days after release of the initial System by the Secretary, the Office shall release and report to the Secretary its recommendations for additions and deletions to such System. In making its recommendations, the Office shall take into consideration the interests of persons, communities, States, and regions as developed during the hearings. Such report shall include findings in support of each recommended addition to or deletion from the initial System.

FINAL DESIGNATION OF SYSTEM

SEC. 205. (a) Upon receiving the recommendations of the Office, the Secretary shall within thirty days, after giving full consideration to such recommendations, and with the cooperation and assistance of the Office, prepare and transmit to the Congress the final Interstate Railroad System of rail lines located within the United States. The System shall promote and enhance the ability of rail carriers to provide modern, efficient, and economical interstate rail freight and passenger service responsive to present and future needs and demands. The report of the Secretary shall include findings in support of each addition to or deletion from the initial System.

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

MAINTENANCE STANDARDS

SEC. 206. (a) Within one hundred and twenty days after the date of enactment of this Act, the Secretary shall prescribe standards for maintenance of rail lines included within the System. In formulating such standards, the Secretary shall be guided by preferred or recommended practices from an engineering and economic standpoint as distinct from minimum requirements for safety.

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

(c) All rail lines shall be in compliance with the standards included within the System prescribed by the Secretary in accordance with this Act on or before the expiration of three years following enactment of this Act, and shall be kept in compliance at all times thereafter.

MODIFICATION OF SYSTEM

SEC. 207. At any time after the expiration of five years following the final designation of the System, the Administration or any railroad company may apply to the Commission for an order permitting deletion of a rail line from the System. After hearings, the Commission shall authorize the deletion, if consistent with the public interest. Approval of a deletion shall not be considered by the Commission as evidence in an abandonment proceeding that service on the line deleted is no longer required by public convenience and necessity.

LONG-TERM CAPITAL IMPROVEMENT NEEDS

SEC. 208. (a) Within sixty days after the date of enactment of this Act, any State or regional agency or the National Railroad Passenger Corporation may designate one or more high density passenger corridors within the System.

(b) Within two years after the date of enactment of this Act, the Secretary and the Secretary of the Army shall jointly undertake and carry out a study of the long-term capital needs for modernization of signal systems, line relocation, tunneling, highway grade crossing elimination, electrification, and other major upgrading of the System, including high density passenger corridors as designated by State and regional agencies and by the National Railroad Passenger Corporation under subsection (a). The study shall include recommendations for investment priorities among the various possible upgrading projects. The study shall evaluate the form and extent to which the Federal Government should assist with the financing of such upgrading, and the extent to which the Corps of Engineers and Department of the Army, should participate in the work involved in such upgrading. The study shall include an evaluation and recommendations regarding the public acquisition and operation of railroad freight yards and terminal facilities.

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

ACCESS TO INFORMATION

SEC. 209. All rail carriers shall provide such information as may be requested by the Secretary or by the Office in connection with the performance of their respective functions under this title. Nothing in this section shall authorize the withholding by the Secretary, the Office, or any rail carrier of any information from the duly authorized committees of the Congress.

DISCLOSURE OF RECORDS BY SECRETARY

SEC. 210. All material supplied to the Secretary in accordance with sections 201 and 209 of this Act shall at all times be open to public inspection. Any person desiring to inspect such material shall reimburse the Secretary for the time of his employees required to assist with such inspection. Any

person requesting reproduction of any material shall reimburse the Secretary for the cost of such reproduction.

ADMINISTRATIVE EXPENSES

SEC. 211. There is hereby authorized to be appropriated, to remain available until expended, for purposes of this title $1,000,000 each to the Office and to the Secretary of the Army.

TITLE III—INTERSTATE RAILROAD ADMINISTRATION

ESTABLISHMENT OF ADMINISTRATION

SEC. 301. There is hereby authorized to be established in the Department of Transportation, under the general supervision of the Secretary, the Interstate Railroad Administration. The function of such Administration shall be to acquire, rehabilitate, maintain, and modernize the rail lines of the System so as to fully develop the potential of modern rail service in meeting the transportation requirements of the Nation.

GENERAL MANAGER

SEC. 302. The Administration shall have a General Manager, who shall be appointed by the President with the advice and consent of the Senate. Neither the General Manager nor any other officer of the Administration may have any direct or indirect employment or financial relationship with any railroad company during the time of his or her employment by the Administration.

BOOKS AND RECORDS

SEC. 303. All books, papers, records and documents of the Administration shall at all times be open to public inspection. Any person desiring to inspect such material shall reimburse the Administration for the time of employees required to assist with such inspection. Any person requesting reproduction of any material shall reimburse the Administration for the cost of such reproduction.

AUTHORITY OF COMPTROLLER GENERAL

SEC. 304. (a) To the extent the Comptroller General deems necessary in connection with annual audits pursuant to law of the financial transactions of the Administration, his representatives shall have access to all books, accounts, records, reports, files and other papers, things, or property belonging to or in use by any rail carrier pertaining to such rail carrier's financial transactions and necessary to facilitate the audit, and such representatives shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents and custodians. All such books, accounts, records, reports, files, papers and property of such rail carrier shall remain in the possession and custody of such rail carrier.

(b) A report of each such audit shall be made by the Comptroller General to the Congress. The report to the Congress shall contain such comments and information as the Comptroller General may deem necessary to inform Congress of the financial operations of the Administration, together with such recommendations with respect thereto as he may deem advisable. The report shall also show specifically any program, expenditure, or other financial transaction or undertaking observed in the course of the audit, which, in the opinion of the Comptroller General, has been carried on or made without authority of law. A copy of each report shall be furnished to the President, to the Secretary, and to the Administration at the time submitted to the Congress.

QUARTERLY AND ANNUAL REPORTS

SEC. 305. (a) Within thirty days following the end of each fiscal quarter, the Administration shall submit to the Congress and release to the public a complete report of its activities and finances for the previous quarter. Such report shall include, but not be limited to the amount and location of (1) new and relay rail laid; (2) ties installed or replaced; (3) miles of track surfaced; (4) signals and interlockers installed or replaced; (5) grade crossing protection installed; and (6) communication systems installed. The report shall include a summary of all train derailments and collisions on Administration rail lines, including the probable cause thereof, and a statement of the extent to which each and every rail line of the Administration is not in compliance with the maintenance standards promulgated under this Act.

(b) In conjunction with the release of the annual report of the Secretary required under section 702 of this Act, the Administration shall submit to the President and to the Congress and release to the public, a comprehensive and detailed report of its activities and accomplishments during the preceding fiscal year, including a balance sheet and statement of receipts and expenditures. The report shall include a projection of receipts and expenditures for the current fiscal year, and a proposed budget for the forthcoming fiscal year, which shall provide specific justification for each and every proposed expenditure.

TITLE IV—ACQUISITION OF RAIL LINES BY ADMINISTRATION AND STATES

SEC. 401. (a) On or after thirty days after approval of the final System, and in consideration of (1) relief from responsibility for rehabilitation of, maintenance of, and signaling and communications functions in connection with, the rail lines conveyed; (2) relief from liability for the payment of State and local property taxes imposed on the rail lines conveyed (including taxes imposed in lieu of such property taxes); and (3) the right to continue operation over the rail lines conveyed, in accordance with the provisions of this title, any railroad company may convey to the Administration its right, title, and interest in all its rail lines included within the System.

(b) A railroad company which conveys System rail lines to the Administration pursuant to subsection (a) shall convey its non-System rail lines to the States in which such rail lines are located, in consideration of the same relief and operational rights as is accorded by subsection (a).

(c) A railroad company which has no rail lines included within the System may convey its non-System rail lines to the States in which such rail lines are located, in consideration of the same relief and operational rights as is accorded by subsection (a).

(d) Any rail line acquired by the Administration under this section which is subsequently deleted from the System shall be immediately conveyed to the State within which such rail line is located.

FEDERAL PAYMENT OF PROPERTY TAX EQUIVALENT

SEC. 402. There is hereby authorized to be appropriated during each fiscal year for payment by the Secretary of the Treasury to State and local governments an amount equivalent to the State and local property taxes (including taxes imposed in lieu of such property taxes) which railroad companies are relieved of responsibility for payment of in accordance with the provisions of section 401. Such payments shall be adjusted upward during succeeding fiscal years by amounts equivalent to increases in taxes on other property located within given taxing jurisdictions.

OPERATIONAL RESPONSIBILITIES OF ADMINISTRATION AND STATES

SEC. 403. (a) Upon acquisition of rail lines pursuant to section 401 the Administration and the States shall assume responsibility for the rehabilitation and maintenance of such rail lines; and for operation of signaling and communication devices on such rail lines.

(b) The Administration and the States shall have the power to fix rights of trains, maximum train speeds, size and weight limits for equipment, and other rules governing operations over Administration and State rail lines, respectively.

(c) The Administration and the States shall be subject to the provisions of the Rail Safety Act of 1970 and of regulations promulgated thereunder to the extent that any such provision is not inconsistent with any provision of this Act.

(d) The Administration shall not abandon any rail line. Any rail line in the System which is deleted from the System shall be immediately conveyed to the State within which such rail line is located.

(e) No State may abandon any rail line unless such State gives notice at least one year prior to commencement of a general session of the State legislature to the chief executives of communities, counties, and regional agencies through which the line extends; all rail carriers operating on such line; and all shippers who have patronized the rail service on the line during a period of one year prior to the date of the notice. The abandonment proposed in the notice may not take place until after adjournment of such session. Abandonment of State rail lines pursuant to this subsection shall not be subject to the provisions of the Interstate Commerce Act.

LABOR RELATIONS

SEC. 404. (a) In the performance of functions assumed by the Administration or any State, such Administration or State, as the case may be, shall—

(1) employ all persons theretofore employed by a railroad company in performing such functions;

(2) assume collective bargaining agreements previously entered into between any bargaining unit representing such employees and such railroad company; and

(3) be subject to the same laws and regulations as such railroad company with respect to the representation of its employees for purposes of collective bargaining, the handling of disputes between employer and employees, compensation for job-related injuries and other disabilities, employee retirement annuity, unemployment systems, and other dealings with its employees.

LIABILITY

SEC. 405. All bodily injury and property damage arising out of any accident or occurrence caused by defects in, or improper maintenance of, track, roadbed, signals, communications, or other facilities owned or controlled by the Administration or any State or caused by the negligence of an employee of the Administration or State shall be the responsibility of the Administration or State, as the case may be. Rail carriers shall be responsible for all bodily injury and property damage arising out of any accident or occurrence caused by reasons other than those enumerated in the preceding sentence.

OPERATIONS OF RAIL FREIGHT CARRIERS

SEC. 406. (a) A railroad company which conveys its rail lines to the Administration or to any State or which holds trackage rights over rail lines which are conveyed to the Administration or to any State shall continue such operations as a rail carrier of freight over such rail lines maintained by the Administration or any State as it was conducting prior to the conveyance thereof, unless and until a State abandons a given rail line in accordance with the procedures of section 403 of this title. The terms and conditions of pre-existing agreements and contracts for the use of track and other facilities shall be of no force and effect as between the Administration or any State and any rail carrier, but insofar as applicable, shall, remain in effect as between two or more rail carriers of freight using the same rail lines.

Upon application to the Commission by any rail carrier for the use of any rail line of the Administration or any State for

freight service, if the Commission finds that—

(1) the applicant is fit, willing and able to properly perform the service proposed;

(2) such service is or will be required by the present or future public convenience and necessity; and

(3) the operations of the applicant will not significantly impair the level of performance of the carrier or carriers already using the line who are adequately serving the public;

the Commission shall by order require the Administration or State to permit the applicant to use such rail line upon such terms and conditions as are reasonable under the circumstances.

(c) No one shall commence freight operations over rail lines of the Administration or any State other than in accordance with the provisions of this section.

(d) Upon abandonment of any rail by a State in accordance with the procedures of section 403(d) of this title, the rail carrier may discontinue freight service over such line notwithstanding any provision of the Interstate Commerce Act.

OPERATIONS OF RAIL PASSENGER CARRIERS

SEC. 407. (a) Any rail carrier shall have the right to continue passenger service over any rail line maintained by the Administration or any State at the same frequency with which it was providing such service prior to the conveyance. All pre-existing agreements and contracts for the provision of passenger service shall be of no force and effect as between the Administration or any State and such rail carrier.

(b)(1) Any passenger rail carrier shall have the right to initiate new passenger service, or to increase the frequency of passenger service already being provided, unless the Administration or State determines that the rail carrier is not fit, willing, and able to properly perform the service proposed.

(2) A rail carrier or freight shipper whose service or operations are affected by new or expanded passenger service may file an application with the Secretary requesting appropriate relief. If after hearing and upon sufficient proof the Secretary finds that such passenger service will materially lessen the quality of freight service provided to shippers, he shall issue an order fixing such terms and conditions for the operation of such passenger service as are reasonable.

(c)(1) Except in an emergency, passenger trains shall be accorded preference over freight trains in the use of any given line of track, junction, or crossing of the Administration or any State unless the Secretary has issued an order to the contrary in accordance with paragraph (2) of this subsection.

(2) A rail carrier or freight shipper whose service or operations are affected by paragraph (1) above may file an application with the Secretary requesting appropriate relief. If after hearing and upon sufficient proof, the Secretary finds that adherence to such paragraph (1) will materially lessen the quality of freight service provided to shippers, he shall issue an order fixing rights of trains, on such terms and conditions as are reasonable.

RATIONALIZATION OF ADMINISTRATION RAIL LINES

SEC. 408. (a) If, in the opinion of the Administration, the transfer of freight traffic of one rail line and onto another rail line will permit significant economies through reduction in maintenance expenditures, it may apply to the Commission for an order requiring such transfer. If after notice and hearing the Commission finds that such transfer will not result, directly or indirectly, in a significant impairment in the rail service provided to any rail customer, the Commission shall issue an order requiring the transfer on such terms and conditions as are reasonable. Applications under this section shall be acted upon by the Commission within one hundred and twenty days after the application is filed.

(b) If at any time the Administration desires to realize economies through the elimination of any extra main track or tracks, or other type of reduction in capacity of any of its rail lines that would not result in elimination of service to any point, it shall give notice of its intention to the carriers using the line, to the States and localities through which the line runs, and to any other person who has requested to be given such notice. The Administration may proceed with such elimination or reduction on or after the expiration of one hundred and twenty days following the giving of notice unless it determines, on the basis of protests submitted in response to the notice, that such elimination or reduction will not be consistent with the present and future public interest in adequate rail service.

RAIL REHABILITATION TRUST FUND

SEC. 409. (a)(1) There is hereby established in the Treasury of the United States a trust fund to be known as the Rail Rehabilitation Trust Fund (hereinafter in this section called the "Trust Fund"). The Trust Fund shall consist of such amounts as may be appropriated or credited to the Trust Fund as provided by this section.

(2) Amounts in the Trust Fund shall be available, as provided by appropriation Acts, to the Administration for (A) rehabilitation of rail lines in the System in accordance with section 206; and (B) grants to the States for the rehabilitation of State rail lines in accordance with the Federal Railroad Safety Act of 1970, except that no part of such amounts shall be used for the rehabilitation of rail lines used exclusively for passenger transportation.

(b) There are hereby authorized to be appropriated to the Trust Fund, out of any money in the Treasury not otherwise appropriated, for each fiscal year beginning after June 30, 1975 and terminating September 30, 1981, $500,000,000 for the purposes of subsection (a)(2) of this section.

(c) Alternative sources of revenue which may be established by other legislation may be credited to the Trust Fund in lieu of all or a portion of the appropriation authorized by subsection (b) of this section.

(d) It shall be the duty of the Secretary of the Treasury to hold the Trust Fund, and (after consultation with the Secretary of Transportation) to report to Congress not later than the 1st day of March of each year beginning after July 1, 1975, on the financial condition and the results of the operations of the Trust Fund during the preceding fiscal year and on its expected condition and operations during the current and next ensuing fiscal years. Such report shall be printed as a House document of the session of the Congress to which the report is made.

(e)(1) It shall be the duty of the Secretary of the Treasury to invest such portion of the Trust Fund as is not, in his judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. For such purpose such obligations may be acquired (A) on original issue at the issue price, or (B) by purchase of outstanding obligations at the market price. The purposes for which obligations of the United States may be issued under the Second Liberty Bond Act, as amended, are hereby extended to authorize the issuance at par of special obligations exclusively to the Trust Fund. Such special obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average yield, during the month preceding the date of issuance, on marketable interest-bearing obligations of the United States of comparable maturities then forming a part of the public debt rounded to the nearest one-eighth of 1 per centum. Such special obligations shall be issued only if the Secretary of the Treasury determines that the purchase of other interest-bearing obligations of the United States, or of obligations guaranteed as to both principal and interest by the United States on original issue or at the market price, is not in the public interest. Amounts appropriated to the Trust Fund and treated as repayable advances pursuant to subsection (d) shall not be invested.

(2) Any obligation acquired by the Trust Fund (except special obligations issued exclusively to the Trust Fund) may be sold by the Secretary of the Treasury at the market price, and such special obligations may be redeemed at par plus accrued interest.

(3) The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to the Trust Fund.

(f) No part of any amount in the Trust Fund shall be used for the payment of any administrative expense incurred by the Secretary or by any other officer or entity within the Federal Government.

RAIL MAINTENANCE FUND

SEC. 410. (a) There is hereby established in the Treasury of the United States a fund to be known as the Rail Maintenance Fund (hereinafter in this section called the "Maintenance Fund"). The Maintenance Fund shall consist of such amounts as may be collected in user charges as provided by this section.

(b)(1) Rail carriers operating over rail lines of the Administration shall pay to the Administration a user charge of one dollar per thousand gross ton miles of locomotive and train operation.

(2) The amount of the user charge shall be adjusted at the end of the first year following the enactment of this Act and at the end of each succeeding year, in accordance with changes in the applicable wage and price indices.

(c)(1) Amounts in the Maintenance Fund in the Treasury of the United States shall be available to the Administration for the maintenance of rail lines under the control of the Administration with the following exception: ten per centum of all monies collected by the Administration in user charges shall be reserved for use by the States to supplement maintenance requirements not adequately funded under subsection (d) of this section.

(2) Upon application by a State, the Secretary is authorized to grant financial assistance from the Maintenance Fund without further appropriation to such State for maintenance of State rail lines, in an amount not to exceed 70 per centum of that portion of the ongoing State maintenance cost during any fiscal year which exceeds the amount collected during such year by the State from rail carriers in user charges. The Secretary may attach to such grants such terms and conditions as are just and reasonable, and further provided under subsection (d)(3) of this section.

(3) Any State receiving rail service continuation subsidy for any year under the provisions of title IV of the Regional Rail Reorganization Act of 1973 shall not be eligible for assistance under this section for such year.

(4) At the end of each fiscal year payments into the Maintenance Fund pursuant to subsection (b) which are in excess of payments out of the Maintenance Fund pursuant to subsection (c) for such year shall be made available to the Administration for financing capital improvements and for other purposes of the Administration.

(d)(1) Rail carriers operating over rail lines of a State shall pay to the State a user charge of one dollar per thousand gross ton miles of locomotive and train operation.

Such amounts as may be collected by the State shall be used for the maintenance of rail lines under the control of the State.

(2) The amounts of the user charge shall be adjusted at the end of the first year following the enactment of this Act, and at the end of each succeeding year, in accordance with changes in the applicable wage and price indices.

(3) To be eligible to receive payments under subsection (c) of this section, a State must agree—

(A) to use such accounting procedures as the Secretary shall prescribe in order to assure proper accounting for payments received by the State and proper disbursement of amounts for the maintenance of rail lines under the control of the State;

(B) to provide to the Secretary or his delegate and to the Comptroller General or his delegate, on reasonable notice, access to, and the right to examine, any books, documents, records, or other data of the State that he may reasonably require for the purpose of reviewing compliance with this section; and

(C) to make such reports to the Secretary as he may reasonably require.

TITLE V—MAINTENANCE OF AND ACCESS TO RAIL LINES OF RAILROAD COMPANIES

REHABILITATION AND MAINTENANCE

SEC. 501. (a) Rail lines which are included in the System which are not conveyed to the Administration shall be maintained in accordance with the provisions of section 206 of this Act.

(b) All other rail lines shall be maintained to standards prescribed by the States within which such lines are located, consistent with the minimum requirements of the Rail Safety Act of 1970 and regulations promulgated thereunder.

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

ACCESS TO RAIL LINES

SEC. 502. (a). Section 3(5) of the Interstate Commerce Act is amended to read as follows:

"(5) Upon application by any common carrier by railroad for the use of any track or other facility owned or operated by a railroad subject to this part, if the Commission finds that such use will not substantially impair the ability of the owner or operator of such track or other facility to handle its own business, the Commission shall by order require such owner or operator to permit the applicant to use such track or other facility upon such terms and conditions and for such compensation as is just and reasonable under the circumstances. Compensation for such use by passenger carriers shall not exceed the incremental expenses incurred by the owner or operator as a result of such use. Applications by passenger carriers under this subsection shall be acted upon by the Commission within ninety days after such application is filed. If under any arrangement for the use of a track or other facility which is in effect at the time of enactment of the Federal Aid Railroad Act of 1974, or which is entered into subsequently, a party desires a modification in the terms and conditions, including compensation, such party may apply to the Commission for an order fixing revised terms of conditions as may be consistent with this subsection. In passing upon any applictaion by a rail carrier for increased freight rates, increased division of revenues, or other financial relief, the Commission shall consider and determine the extent to which such carrier has availed itself of the provisions of this subsection to effect economies and efficiencies in its operations. Upon granting such application in whole or in part, the Commission may condition such relief on the filing of an appropriate application under this subsection.

(b) Section 5(2)(a) of the Interstate Commerce Act is amended to read as follows:

"(2)(a) It shall be lawful, with the approval and authorization of the Commission, as provided in subdivision (b) for two or more carriers to consolidate or merge their properties or franchises, or any part thereof, into one corporation for the ownership, management, and operation of the properties theretofore in separate ownership; or for any carrier, or two or more carriers jointly, to purchase, lease or contract to operate the properties, or any part thereof, of another; or for any carrier, or two or more carriers jointly, to acquire control of another through ownership of its stock or otherwise; or for a person which is not a carrier to acquire control of two or more carriers through ownership of their stock or otherwise; or for a person which is not a carrier and which has control of one or more carriers to acquire control of another carrier through ownership of its stock or otherwise."

ABANDONMENT OF RAIL LINES

SEC. 503. (a) The first sentence of section 1 (18) of the Interstate Commerce Act is amended to read as follows: "No carrier by railroad subject to this part shall abandon all or any portion of a line of railroad, or the operation thereof, unless and until—

"(1) notice in accordance with paragraph (19) of this section has been given at least one year in advance of a general session of the legislature of the State or States thru which the line extends, and

"(2) there shall first have been obtained from the Commission a certificate that the present or future public convenience and necessity permit of such abandonment."

(b) The second sentence of section 1 (20) of the Interstate Commerce Act is amended by inserting before the period at the end thereof a comma and the following: "except that no such abandonment may take place until after adjournment of the general legislative session or sessions relating to the notice required by paragraph (18) of this section".

TITLE VI—PROTECTION OF EMPLOYEES CONTRACTING OUT LIMITATION

SEC. 601. No owner or operator of rail lines shall contract out any project for rehabilitation or maintenance work required by this Act of a value of over $450 per month in Labor and materials which is normally performed by employees in any bargaining unit covered by a labor agreement between such owner or operator and any labor organization.

GUARANTEE OF PREVAILING WAGE

SEC. 602. Owners and operators of rail lines shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors and subcontractors in the performance of construction work financed with the assistance of funds received under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. No one shall enter into any construction contract or agreement for such work without first obtaining adequate assurance that required labor standards will be maintained on such work. Health and safety standards promulgated by the Secretary of Labor pursuant to section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 333) shall be applicable to all such work performed, except any construction work performed by an employee of a railroad company. Wage rates provided for in collective bargaining agreements negotiated under and pursuant to the Railway Labor Act shall be considered as being in compliance with the Davis-Bacon Act.

PROTECTIVE ARRANGEMENTS REQUIRED IN CERTAIN TRANSACTIONS

SEC. 603. (a) In connection with any transaction for access to rail lines, transfer of freight traffic, reduction of capacity rail lines, or abandonment of rail lines, the Administration, State, or rail carrier whose employees will be affected by such action shall be required to protect the interests of its respective employees. Such protective arrangements shall be those agreed to by the Administration, State, or rail carrier and the representatives of its employees, or in the absence of such agreement, as the Commission may determine upon application by such representatives. Such protective arrangements shall be included in any order which authorizes such transaction.

(b) The protective arrangements required by subsection (a) shall protect individual employees from the date first affected against a worsening of their positions with respect to their employment and shall include, without being limited to, such provisions as may be necessary to provide for (1) notice, negotiation, and execution of implementing agreements prior to the interests of employees being affected; except that where such implementing agreement has not been executed within thirty days after the date on which the action became effective, either party may submit for binding arbitration any unresolved questions in connection therewith, the arbitration decision to be rendered if possible within thirty days thereafter, but if such decision is for any reason delayed beyond said thirty days, the rights of the parties to such arbitration shall not be affected; (2) the preservation of compensation (including subsequent wage increases), rights, privileges, and benefits (including fringe benefits such as pensions, hospitalization, vacations, and the like, under the same conditions and so long as such benefits continue to be accorded to other employees of the Administration, State, or rail carrier in active service or on furlough as the case may be) to such employees under existing collective-bargaining agreements or otherwise; and (a) the arbitration of disputes arising out of the protective arrangements which cannot be settled by the parties. In such arbitrations the burden shall be upon the Administration, State, or rail carrier to prove that the employee was not affected by the action taken. In no event shall said arrangements provide benefits less than those established pursuant to section 5(2)(f) of the Interstate Commerce Act.

TITLE VII—OVERSIGHT AND ENFORCEMENT ADVISORY COMMITTEE

SEC. 701. (a) There is hereby established an Advisory Committee to be appointed by the Secretary within thirty days after the date of the enactment of this Act. It shall be composed of one member of each of the following organizations—

(1) National Association of Regulatory Utility Commissioners;

(2) National Governors Conference;

(3) Association of American Railroads;

(4) National Railroad Passenger Corporation;

(5) Railway Labor Executives' Association (including the Congress of Railway Unions);

(6) National Industrial Traffic League;

(7) National Association of Railroad Passengers; and

(8) United States Railway Association.

Members shall be appointed for terms of four years, except that (1) in the case of ini-

tial members, one-half of the members shall be appointed for terms of two-years each and one-half of the members shall be appointed for terms of four-years each, and (2) appointments to fill the unexpired portion of any terms shall be for such portion only.

(b) The Advisory Committee shall—

(1) Monitor the activities of the Secretary, Commission, Administration, and States pursuant to this Act; and

(2) Submit to the Secretary a report evaluating the effectiveness of this Act in achieving the objectives thereof declared by the Congress.

(c) Members of the Advisory Committee who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the Advisory Committee, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding the rate specified at the time of such service for grade GS-18 under section 5332 of title 5, United States Code, including travel time, and while so serving on the business of the Advisory Committee away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

ANNUAL REPORT BY SECRETARY

SEC. 702. On or before October 31 of each year, the Secretary shall submit to the President and to the Congress, and release to the public, a comprehensive and detailed report of his activities pursuant to this Act during the preceding fiscal year, together wi'h his evaluation of the effectiveness of this Act in achieving the objectives thereof declared by the Congress. The report shall set forth the number, nature, and location of inspections of rail lines made by the Secretary's personnel, and the extent to which each and every rail line falls short of compliance with the standards promulgated under this Act. It will also include the report prepared for the Secretary in accordance with Section 701 (b) (2). The annual report of the Administration required under Section 305(b) will be released concurrently.

INVESTIGATION AND INSPECTION

SEC. 703. The Secretary is authorized to perform such acts, including, but not limited to, conducting investigations, holding hearings, making reports, issuing subpoenas, requiring production of documents, making depositions, prescribing recordkeeping and reporting requirements, promulgating rules and regulations, and delegating to any public bodies or qualified persons functions respecting examination, inspecting, and testing of railroad facilities as he deems necessary to carry out the provisions of this Act. Officers, employees or agents of the Secretary are authorized to enter upon, inspect and examine railroad facilities and pertinent books, papers and records. Such officers, employees and agents shall display proper credentials when requested.

RIGHT TO COURT ORDERS

SEC. 704. The United States District Courts shall at the request of the Secretary and upon petition by the Attorney General on behalf of the United States, have jurisdiction, subject to the provisions of Rules 65 (a) and (b) of the Federal Rules of Civil Procedure, to enforce the provisions of this Act, and orders of the Secretary issued thereunder, by requiring the production of information, issuing injunctions or restraining orders, or by the granting of such other relief as may be appropriate. Failure to obey any order or decree of the Court may be punished by the Court as a contempt thereof.

PENALTIES

SEC. 705. (a) It shall be unlawful for any State or any rail carrier to disobey, disregard, or fail to adhere to the provisions of this Act or to any rule, regulation, order, or standard prescribed by the Secretary under this Act.

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

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

SUBPENAS IN COURT ACTIONS

SEC. 706. In any action brought under this Act, subpenas for witnesses who are required to attend a United States District Court may run into any other district.

OTHER RIGHTS AND LIABILITIES RESERVED

SEC. 707. Nothing contained in this Act shall be construed as depriving any person of any right of action which he may have otherwise than under this Act, or of relieving any person of any punishment, liability or sanction which may be imposed otherwise than under this Act.

ADMINISTRATIVE EXPENSES OF THE SECRETARY

SEC. 708. There are hereby authorized to be appropriated such sums as may be necessary to enable the Secretary to carry out the provisions of this Act and to perform any other related duties which may be imposed upon him by law. Wherever feasible, the Secretary shall make use of personnel and facilities employed under the Rail Safety Act of 1970 (45 U.S.C. 421 et seq.) in carrying out his responsibilities under this Act.

TITLE VIII—MISCELLANEOUS PROVISIONS

ANTITRUST EXEMPTION

SEC. 801. Persons contracting for the joint use of railroad tracks and facilities shall be and hereby are relieved from all prohibitions of existing law, including the antitrust laws of the United States, with respect to such contracts, agreements, or lease insofar as may be necessary to enable them to enter into such contracts and to perform their obligations thereunder.

EVIDENCE IN DIVISIONS CONTROVERSIES

SEC. 802. For a period of five years following the enactment of this Act, evidence that the operating expenses of any rail carrier were reduced as a consequence of any direct or indirect assistance provided by this Act shall not be admissible as evidence before the Commission in any controversy involving the division of revenues.

SEPARABILITY

SEC. 803. If any provision of this Act or the application thereof to any person or circumstance is held invalid, the remainder of the Act and the application of such provision to other persons or circumstances shall not be affected thereby.

By Mr. MOSS:

S. 1387. A bill to amend title IV of the Social Security Act to permit aid to families with dependent children to be paid with respect to a needy child whose father is receiving unemployment compensation or whose father is employed but whose earnings—plus other family income—are inadequate to provide family support. Referred to the Committee on Finance.

FAMILY UNITY AND FATHER'S WORK INCENTIVE ACT OF 1975

Mr. MOSS. Mr. President, I am introducing today the Family Unity and Father's Work Incentive Act of 1975. This act will make two changes in the present law governing aid to families with dependent children—AFDC.

One of the major controversies surrounding the current AFDC law is its contribution to the destruction of family unity. This contribution comes about through the provision that when a father works more than 100 hours per month, no matter what his income, he disqualifies his family from eligibility for AFDC benefits. The current structure of this law will often cause a father to leave home in order that his family can obtain maximum welfare benefits and the father can continue working at the same time in an attempt to maintain his pride with his work ethic. The end result is the destruction of the family unit.

Mr. President, the Family Unity and Father's Work Incentive Act of 1975 will change this destructive situation by changing the measure for eligibility for assistance from an hourly work requirement to a monetary need requirement. It provides that a low wage earning father can supplement his income when his earned income is less than AFDC assistance. This supplement will bring family income up to the minimum AFDC grant level. As an example, a father who works 30 hours per week or approximately 120 hours per month at $2 an hour would be eligible for assistance and would receive the supplemental AFDC benefit which would bring the family's income of approximately $240 per month up to minimum grant level. For a family of four this could mean additional assistance ranging from as little as $33 a month to as much as $150, plus the additional needs of food stamps and medicaid. No longer would a father find it necessary to leave home in order for his family to receive the best support available, and at the same time maintain his personal pride.

Mr. President, I am informed that there are hundreds of families bearing the burden of this law which punishes the father who wants to work. Not only is it costly to the family but it is costly to the U.S. Treasury to finance the law in its present form. Clearly, a supplemental benefit is much less expensive—in terms of dollars actually spent—than the payment of a full Government grant. The present law which is conducive to the destruction of family unity and which is ultimately more costly in terms of real dollars spent must be changed, not only for the benefit of those who receive assistance but for the benefit of the entire Nation.

Mr. President, this bill will also eliminate the requirement for families with children to apply for unemployment benefits before they can obtain AFDC benefits. The new, 1974, unemployment compensation law expands the insurance to so many people that families who for-

merly would not have qualified for unemployment compensation now do. The result is that low-wage-earning families are forced to live on as little as $50 per week when the wage earner becomes unemployed; comparable AFDC benefits—usually considered minimum subsistence for a family with children—is always more than $50 per week in every State in the Union. Additionally, the families would be entitled to medicaid and food stamps. The act would thereby provide assurances that families with children would not be deprived of the essentials for life because their wage earner became unemployed. It would also prevent the need to prosecute concerned parents who are now applying for AFDC grants without first having gone through unemployment.

Mr. President, I urge immediate committee action on this act which would bring greatly needed reform to our present AFDC laws.

By Mr. DOMENICI:

S. 1388. A bill to direct certain Federal departments to undertake an immediate review of public lands withdrawn by executive action from exploration, development, and production of energy and other mineral resources with a view to determining and recommending the extent to which, if any, such lands should be made available for exploration, development, and production of energy and other mineral resources, and for other purposes. Referred to the Committee on Interior and Insular Affairs.

Mr. DOMENICI. Mr. President, it has long been recognized that the Congress has plenary constitutional authority over the retention, management, and disposition of the public lands. By Public Law 88–606 enacted on September 19, 1964, the Congress declared as its policy that public lands of the United States shall be managed in a manner to provide the maximum benefit for the general public.

By that same law the Congress announced that it had become necessary to undertake a comprehensive review of laws and regulations relating to administration of the public lands. Such a review had become necessary because those laws and regulations had developed over such a long period of time and in such an uncoordinated manner that they had become inadequate to meet the current and future needs of the American people.

In order to carry out the policy declared in that act and accomplish such a review of public lands administration, the act created the Public Land Law Review Commission. Section 4 of the act set forth the specific duties of the Commission which primarily entailed the comprehensive review of public lands administration I have referred to and a detailed report to the President and Congress regarding the entire process of public lands administration.

After a meticulous and extensive study as required by the act, the Commission submitted its report in June of 1970 in a volume entitled "One-Third of the Nation's Lands." That report contained specific recommendations for policy guidelines pertaining to the retention and management or disposition of the Federal lands that equal one-third of the area of the entire Nation.

The report contained many specific recommendations for the improvement of public lands administration. One of the most fundamental of the Commission's recomendations was as follows:

> An immediate review should be undertaken of all public lands not previously designated for any specific use, and of all existing withdrawals, set asides, and classifications of public domain lands that were effected by executive action to determine the type of use that would provide maximum benefit for the general public.

In view of this Nation's critical need for increased production from its mineral resources, particularly its energy minerals, there can be no doubt that energy and other mineral exploration, development, and production must be designated as among those uses which most directly contribute to the maximum public benefit. It is a difficult proposition to establish priorities when there are conflicting use possibilities for public lands. The Commission recognized this difficulty in its report by stating that there had been no attempt to define the maximum benefit for the general public. What I am suggesting is no more than should be obvious to everyone—regardless of how defined, maximum public benefit from the public lands must include orderly and effective utilization of energy and other mineral resources contained in those lands.

The Congress has often recognized this fact as illustrated by the Mining and Minerals Policy Act of 1970—Public Law 91–631—in which the Congress declared it to be:

> The continuing policy of the Federal Government in the National Interest to foster and encourage private enterprise in . . . the orderly and economic development of domestic mineral resources, reserves, and reclamation of metals and minerals to help assure satisfaction of industrial, security, and economic needs.

Recent events have made that simple policy declaration even more applicable now than it was in 1970, especially in view of our current domestic energy shortage and our growing dependence on foreign nations for sufficient mineral supplies, both fuel and nonfuel.

The Public Land Law Review Commission recognized the importance of domestic mineral activity by stating that—

> Public land mineral policy should encourage exploration, development, and production of minerals on the public lands.

The Commission also concluded that—

> A decision to exclude mineral activity should never be made casually or without adequate information concerning the mineral potential.

From the foregoing it seems clear to me Mr. President, that the constitutional authority of the Congress to manage the public lands for the maximum public benefit carries with it the obligation to review and modify as necessary those governmental actions which preclude mineral activities without an evaluation of potential uses or competing needs. This conclusion is in complete agreement with the major recommendation of the Public Land Review Commission I mentioned at the outset.

There are two types of governmental action by which mineral activity on the public lands may be limited or prohibited. Those are, of course, direct legislative action by the Congress and administrative action by the executive agencies acting under delegations from the Congress.

As to the majority of congressional actions relating to use designation, there is usually careful scrutiny of relevant possible uses based on full and accurate information relating to potential for different purposes, including mineral activities. Consequently, I agree with the conclusion of the Public Land Law Review Commission that, as to such legislative withdrawals and reservations, those actions for the most part were properly considered from the standpoint of energy and other mineral potential.

The same cannot be said, however, for most administrative withdrawals and reservations. In the commentary supporting its recommendations for an immediate review of such executive actions, the Public Land Law Review Commission observed that Congress had not provided sufficient statutory guidance nor established standards, guidelines, or criteria for most such withdrawals and reservations. In several places in the report the Commission indicated its strong opinion that an essential first step in implementing a more comprehensive system of public lands administration is the review of administrative withdrawals which may not be for the maximum public benefit. Typical of such emphasis on this point was the Commission's specific recommendation—No. 6—in which the Commission stated that—

> As an essential first step . . . Congress should provide for a careful review of . . . all executive withdrawals and reservations.

The bill I introduce today, Mr. President, would provide that essential first step for energy and other mineral uses. This is, in my opinion, a tremendously important undertaking because of the precarious position we now find ourselves in for short term energy supplies, particularly oil and natural gas.

I am concerned that continuing to restrict or prohibit energy activities on these public lands without evaluating their energy potential could prove to be a most improvident land use where substantial energy potential exists. I say this because I am convinced that without such an evaluation we may, if we are ever confronted with an energy crisis of truly emergency proportions, lack the information necessary to increase our energy production by devoting lands to that purpose which have energy resources but which in normal times have a more beneficial use.

I am advised that of the approximately 775 million acres controlled by various Federal agencies, about 100 million acres have been withdrawn or reserved by executive action. That is a significant amount of land from which, Mr. President, there is no possibility under present circumstances of that land producing one drop of oil or 1 cubic foot of natural gas or 1 pound of any of the minerals this Nation needs so des-

perately. This is true, Mr. President, regardless of whether there is energy or other mineral potential on the land or whether the use for which the land was reserved is still valid and reasonable and under current conditions still the best use for such lands.

I have no doubt, Mr. President, that these withdrawals and reservations were made in good faith by the various controlling agencies, acting frequently to fill the vacuum created by lack of congressional standards, guidelines, or meaningful policy determinations. I have no quarrel with these agencies or their administrative policies. I am simply concerned that so much of the public's resources have been removed from consideration for use as energy and mineral sources without adequate knowledge of true potential and under circumstances of national need much different that exists today and will exist for the next several years.

My bill would direct certain Federal departments to undertake an immediate review of public lands withdrawn by executive action from exploration, development, and production of energy and other mineral resources with a view to determining and recommending the extent to which, if any, such lands should be made available, for exploration, development, and production of energy and other mineral resources.

I think it essential that the review include all the public lands which have been set aside or reserved from energy or other mineral purposes by executive action. This scope would automatically exclude such legislative withdrawals as the national park systems, the national wildlife system, the wild and scenic rivers, the national wilderness system, and the primitive and roadless areas in the national forests now under review for inclusion in the wilderness system. Also excluded would be Indian lands. I have not excluded those lands set aside for the naval petroleum reserves; but I do feel that this issue would deserve careful consideration during the legislative process.

Mr. President, the Public Land Law Review Commission report suggested that the Departments would not be able to make this type of study and that it would be better to establish a Commission to look into the matter. I introduced a bill in the 93d Congress, S. 3554, which would have created just such a Commission and charged it with the functions and responsibilities I feel are so important to the mineral and mining activities of this Nation. On further consideration, however, I have concluded that although there are inherent problems involved in separate agency reviews, those problems can be overcome by a congressional mandate which clearly defines what is expected of each affected agency. In any case, interagency cooperation and assistance is essential to the success of this endeavor, particularly on the part of the U.S. Geological Survey and the Bureau of Land Management.

Accordingly, Mr. President, I have modified the bill I introduced last year and I reintroduce it today with the required review and evaluation of public lands withdrawn by executive action to be performed by the agency controlling that land. I trust that the directives contained in this legislature are sufficiently clear in their intent and their requirements that the agencies will do a thorough job in their reviews and a conscientious job in their evaluations and recommendations.

If the legislative process should indicate that the Commission approach would better accomplish this important objective, I will certainly concur in that determination.

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

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

S. 1388

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) it is hereby declared to be the policy of Congress that the natural resources and the public lands of the United States shall be managed in a manner to provide the maximum benefit to the general public; and that, particularly in view of the critical energy and mineral needs of the United States, such maximum benefit for the general public includes maximum utilization of the natural resources and public lands of the United States for the production of energy and for mineral development when such uses are not inconsistent with other specific uses or national policies.

(b) As used in this Act, the term "public lands" includes acquired lands, but does not include Indian lands, lands in the National Park System, the National Wildlife System, the Wild and Scenic Rivers System, the National Wilderness System, and primitive and roadless areas in the national forests now under review for inclusion in the Wilderness System in accordance with the provisions of the Wilderness Act of 1964.

SEC. 2. In view of the fact that the executive agencies have withdrawn and reserved substantial areas of public lands from use for energy and other mineral exploration, development, and production without adequate guidelines, and because many such reservations and withdrawals are inconsistent with the policy of Congress as declared in the first section of this Act and other provisions of Federal law, the Congress hereby declares that it is the purpose of this Act to effect an immediate review of all public lands withdrawn or reserved from energy and other mineral resource exploration, development, and production by executive action to determine which of those withdrawals and reservations should be terminated or otherwise modified to meet the total energy and mineral needs of the Nation, including but not limited to the national defense.

SEC. 3. (a) In order to carry out the policy and purpose set forth in the first section and section 2 of this Act, each Federal department, agency or other instrumentality which has an interest in or responsibility with respect to the retention, management, or disposition of public lands withdrawn or reserved from energy and other mineral resource exploration, development, and production by executive action shall undertake an immediate review of such public lands with a view to determining which of such withdrawals and reservations should be terminated or otherwise modified to meet the total energy and mineral needs of the United States, including the national defense.

(b) In conducting such review, the appropriate department, agency, or instrumentality shall conduct a study of all such existing withdrawals, reservations, set-asides, and classifications of public lands of the United States that were so effected by executive action so as to—

(1) identify the use or uses presently designated for such public lands;

(2) determine whether such use or uses are currently valid and whether such withdrawals, reservations, set-asides, or classifications are reasonable in scope and area for such public lands;

(3) determine the extent of energy and other mineral resource potential in such public lands covered by such review and study;

(4) determine the extent, if any, to which energy and other mineral exploration, development, and production can be carried out on such public lands without interference with valid use or uses for which such lands were so withdrawn, reserved, set-aside, or classified; and

(5) recommend which of such public lands should be made available for energy and other mineral purposes in accordance with the policy of Congress declared in the first section of this Act and other policies of the Congress relating to the administration of the public lands.

SEC. 4. (a) Each such Federal department, agency or instrumentality shall, not later than six months following the date of the enactment of this Act, submit to the President and the Congress an interim report identifying, to the extent practical, all public lands so withdrawn, reserved, set-aside, or classified from energy and other mineral purposes by executive action, that contain readily available petroleum or other energy resources.

(b) Each such Federal department, agency, or instrumentality shall, not later than two years from the date of the enactment of this Act, submit to the President and the Congress its final report containing its findings, determinations, and recommendations pursuant to this Act, including its determination as to which of such withdrawals, reservations, set-asides and classifications should be terminated or otherwise modified in order to meet the total energy and mineral needs of the United States, including the national defense.

SEC. 5. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act.

By Mr. JACKSON (for himself and Mr. FANNIN) (by request):

S. 1389. A bill to provide an authorization for an ex gratia payment to the people of Bikini Atoll, in the Marshall Islands of the Trust Territory of the Pacific Islands. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I introduce, on behalf of myself and the Senator from Arizona (Mr. FANNIN), a bill to provide an authorization for an ex gratia payment to the people of Bikini Atoll, in the Marshall Islands of the Trust Territory of the Pacific Islands.

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the executive communication accompanying the proposal from the Secretary of the Interior be printed in the RECORD.

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

U.S. DEPARTMENT OF THE INTERIOR,
Washington, D.C., March 20, 1975.

HON. NELSON A. ROCKEFELLER,
President, U.S. Senate, Washington, D.C.

DEAR MR. PRESIDENT: Enclosed is a proposed bill, "To provide an authorization for an

ex gratia payment to the people of Bikini Atoll, in the Marshall Islands of the Trust Territory of the Pacific Islands."

We recommend that the bill be referred to the appropriate Committee for consideration, and strongly urge that it be enacted.

In 1946, in the interest of international security, all the Bikini people were removed from their home atoll to provide the United States with a nuclear test site. The Bikinians were moved three times, and finally settled on Kili, an island with a land area of only one-third of a square mile. Life on Kili was difficult from the very beginning. There was no lagoon in which to fish and no protected anchorage. In addition, a typhoon caused salt water flooding which destroyed crops and polluted the fresh water supply. Food shortages were common occurrences and high waves prevented field trip vessels from picking up copra and bringing foodstuffs ashore. In short, the past 29 years have been physically and psychologically difficult for the displaced Bikinians.

The people of Enewetak Atoll, also located in the Marshall Islands, experienced a parallel situation. They were displaced in 1947 and moved to Ujelang Atoll where they now live. Enewetak was also the site of weapons testing, and there were over 40 nuclear detonations through 1957.

However, there has been one significant difference in the experiences of the two peoples. In July 1969, the United States Government made an ex gratia payment of $1,020,000 to the people of Enewetak in recognition of the hardships faced, the long-standing removal from their home atoll, and the fact that their ultimate return was not then viewed as possible in the near future. The funds were placed in trust for the people, who since that time have received interest payments. The trust fund will remain available even though the people are now scheduled to return to Enewetak.

In April 1974, the people of Bikini petitioned the Department of the Interior and the Department of Defense for an ex gratia payment. Their request was based upon the same logic as that used to make the ex gratia payment to the people of Enewetak. Both Departments feel that 29 years of hardship and suffering are sufficient grounds to justify compensation. Thus, I recommend a payment of $2,270,000 to be held in trust for the people by a trustee approved by the Bikinians and High Commissioner of the Trust Territory.

We are aware that the people of Bikini Atoll, through the Kili/Bikini Council, have filed a claim with the Micronesian Claims Commission under the provisions of the Micronesian Claims Act of 1971. We believe the rationale for the ex gratia payment recommended in this bill is separate and distinct from the rationale advanced for the claim for damages filed with the Micronesian Claims Commission. Nevertheless, we will work with the Foreign Claims Settlement Commission, and the Micronesian Claim Commission, to avoid possible overlapping of any compensation for any item in the claim filed with them which, when fully developed, may relate to the same incident upon which the draft bill proposes to compensate.

The Office of Management and Budget has advised that the presentation of this proposed legislation is consistent with the program of the President.

Sincerely yours,

ROYSTON C. HUGHES,
Assistant Secretary of the Interior.

By Mr. JACKSON (for himself, Mr. CHURCH, Mr. MAGNUSON, Mr. MANSFIELD, and Mr. METCALF):

S. 1390. A bill to authorize a study for the purpose of determining the feasibility and desirability of designating the Pacific Northwest Trail as a national scenic trail. Referred to the Committee on Interior and Insular Affairs.

PACIFIC NORTHWEST TRAIL

Mr. JACKSON. Mr. President, I am sending to the desk, for appropriate reference, legislation to authorize a study to determine the feasibility and desirability of designating the Pacific Northwest Trail as a national scenic trail.

The proposed trail would extend approximately 1,000 miles from the Continental Divide in Glacier National Park, Mont., to the Pacific Ocean beach of Olympic National Park, Wash. From Glacier to the North Cascades, this trail would encompass some of the most spectacular and precious scenery in the world. Snowy peaks, glaciers, alpine meadows with clear springs and brooks, small lakes and rushing rivers abound. The Cascades themselves form a distinct and identifiable change in environments: the tremendous precipitation and force of the storms which sweep off the ocean end at the Cascades. On the lee of the Cascades spectacular and rugged desert commands the attention of all who love the Northwest.

A great proportion of this trail is protected by inclusion in national park or national forest areas, but some of it is not.

Mr. President, I was privileged to serve on the Outdoor Recreation Resources Review Commission which recognized the importance of hiking and walking as recreational experiences. During the 90th Congress the National Trails System Act was enacted to provide for the designation, protection, development, and preservation of various trails throughout this Nation. This proposed trail would extend through many areas which I have fought to preserve—North Cascades National Park, Olympic National Park, Ross Lake National Recreation Area, Pasayten Wilderness Area, the Skagit River, and the list goes on.

These lands are dear to those of us who love the Northwest and enactment of this legislation will help assure that the vistas which we know will be available for others.

By Mr. CRANSTON (for himself and Mr. TUNNEY):

S. 1391. A bill to study certain lands in the Mendocino National Forest, Calif., for possible inclusion in the National Wilderness Preservation System. Referred to the Committee on Interior and Insular Affairs.

MENDOCINO NATIONAL FOREST

Mr. CRANSTON. Mr. President, I introduce for appropriate reference a bill to study the Snow Mountain area of Mendocino National Forest in California for possible wilderness designation. I am delighted that my colleague from California (Mr. TUNNEY) is joining me as cosponsor of the bill.

The measure is similar to H.R. 5589, sponsored in the House by Congressmen HAROLD JOHNSON, BOB LEGGETT, and DON CLAUSEN, all of whose districts include portions of the Snow Mountain wilderness area.

It is identical to legislation (S. 114) which passed the Senate in the 93d Congress, but did not receive final action in the House.

Snow Mountain is located in the coastal mountain ranges of Lake, Colusa, and Glenn Counties. Rugged in character and dominated by 7,056-foot Snow Mountain peak, the area provides a unique opportunity for solitude within a few hours' drive of major population centers in the State—Sacramento and San Francisco.

Although not heavily timbered, it is an area rich in native flora and fauna. The vegetation includes grasslands, mountain meadows, many chaparral types, canyon oaks, oak woodland, mixed conifers, high elevation red and white fir. Snow Mountain also abounds with wildlife—deer, squirrel, bobcats, golden eagles, quail, bear, and mountain lions. The Middle Fork of Stoney Creek which flows through the area supports a fine native trout fishery.

There is nearly unanimous local support for immediate wilderness designation of the 37,000-acre Snow Mountain area. The boards of supervisors of all three counties involved have adopted resolutions endorsing wilderness classification. I share their view that the entire 37,000-acre area merits wilderness status.

In previous Congresses, I have sponsored legislation to provide for immediate designation of the Snow Mountain wilderness. I have not changed my commitment to ultimate wilderness classification of the entire 37,000-acre area.

However, since I first introduced the Snow Mountain wilderness bill in the 92d Congress, 620 acres within the area have been selectively logged. In addition, objections have been raised over the fact that no mineral survey has been made of the proposed wilderness area. In view of these circumstances, I am now proposing a wilderness study be made. The study would include a mineral review.

My bill directs the Secretary of Agriculture to study the 37,000-acre Snow Mountain area and submit his findings to the President within 2 years following enactment of the bill. The bill also requires that during the review period and for a period of 4 years after the recommendations are submitted, the Snow Mountain area be managed so as to preserve its wilderness character.

Hearings on the wilderness proposal have been held in both the 92d and 93d Congresses. Thus, I am hopeful that the Senate can move forward with the Snow Mountain study bill in the near future and provide statutory interim protection for the area.

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

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

S. 1391

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture, in accordance with the provisions of subsection 3(d) of the Wilderness Act (78 Stat. 890, 892), relating to public notice, public hearings, and review by State and other agencies, shall review, as to its suitability or nonsuitability for

preservation as wilderness, certain lands in the Mendocino National Forest, California, which comprise approximately thirty-seven thousand acres, and which are generally depicted on a map entitled "Snow Mountain DeFacto Wilderness Area", dated June 21, 1971. The Secretary shall report his findings to the President on or before the expiration of the two-year period following the date of the enactment of this Act. The President shall submit promptly thereafter to the United States Senate and House of Representatives his recommendations with respect to the designation of such area or portion thereof as wilderness. Any recommendation of the President that such area or portion thereof shall be designated as wilderness and, therefore, as a component of the national wilderness preservation system shall become effective only if so provided by an Act of Congress.

SEC. 2. During the review period provided by this Act and for a period of four years after the recommendations of the President are submitted to the Congress, the Secretary of Agriculture shall manage and protect the resources of the lands depicted on such map in such a manner as to assure that their suitability for potential wilderness designation is not impaired.

SEC. 3. The review required by this Act, including any report and recommendations with respect thereto, shall, except to the extent otherwise provided in this Act, be conducted in accordance with the applicable provisions of the Wilderness Act.

SEC. 4. There is hereby authorized to be appropriated such amount as may be necessary to carry out the provisions of this Act.

By Mr. TUNNEY:

S. 1392. A bill to establish a demonstration program in energy conservation, using promising innovative technology to the maximum extent possible, through retrofitting existing buildings with energy conservation equipment and systems, and for other purposes. Referred to the Committee on Public Works, the Committee on Commerce, and the Committee on Government Operations, jointly, by unanimous consent.

ENERGY CONSERVATION IN BUILDINGS DEMONSTRATIONS ACT OF 1975

Mr. TUNNEY. Mr. President, I am introducing today the Energy Conservation in Buildings Demonstration Act of 1975. This legislation will assure Federal leadership in stimulating technologies to renovate Federal, State, and local government buildings for more efficient and economical use of energy.

A systematic energy conservation program is essential to the national security of the United States. Without such a program, our country will continue to be jeopardized by energy shortages or energy blackmail from the Arab-led cartel.

The opportunities for such an energy conservation program are enormous. The Federal Government is presently the world's largest landlord, owning and maintaining over 700,000 buildings and installations in the United States alone. Further, hundreds of thousands of buildings are owned by State, county, and local governments.

Many of these buildings and installations were built in a period when little attention was given to energy conservation. Therefore, a systematic governmentwide program to retrofit heating, cooling, ventilating, lighting and other facilities in these buildings could save millions of dollars and enormous amounts of energy throughout the country every year.

The legislation mandates the institution of a Federal demonstration program. This program will select at least 40 federally owned buildings throughout the country for renovation and retrofitting. Buildings will be selected to offer the widest possible range of geographic, structural and other circumstances in order to assure accurate data for future planning.

Initially, renovation will be expensive. In the long run, however, this program will prove itself to be cost effective and will lead to large overall savings for the Government. Once this program has been demonstrated, it can be expanded to other Government buildings and, eventually, to private buildings.

At the same time this program is being carried out at the Federal level, a similar project will be undertaken in cooperation with State, county, and local governments. Under the act, an awards panel will be set up to evaluate grants for State, county, and local governments. Grants will be funded on a 3 to 1 Federal to State or municipality matching basis.

It is our belief that, as an important outgrowth of this program, business and industry will see the potentialities for major financial and energy savings through retrofitting their buildings. Since commercial buildings utilize 14.4 percent of all energy in this country, the savings could be tremendous.

The Project Independence study by the Federal Energy Administration estimates that retrofitting and improved operation and maintenance practices could save up to 40 percent of the energy used in heating and cooling commercial buildings. Such a saving would be the equivalent of 400 million barrels of oil per year, or enough fuel to satisfy the yearly household energy needs of 30 million people.

Mr. President, I believe that this is an extremely important program and I ask unanimous consent that this legislation be printed in the RECORD.

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

S. 1392

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 "Energy Conservation in Buildings Demonstration Act of 1975".

FINDINGS AND PURPOSE

SEC. 2. (a) The Congress finds and declares that—

(1) large amounts of fuel and energy are consumed unnecessarily each year in heating, cooling, ventilating, providing hot water, lighting, and for other major energy uses in residential and commercial buildings because such buildings lack adequate energy-conservation features;

(2) substantial savings in fuel and energy could be accomplished by retrofitting such buildings with adequate energy-conservation features that would more than pay for themselves in reduced energy costs on a life-cycle basis.

(3) the national interest will be best served by encouraging innovative technology and approaches so that a wide diversity of geographic and technological circumstances may be treated with a maximum of cost effectiveness.

(b) It is the intent of Congress to institute a demonstration program for retrofitting selected existing Federal, State, and municipal buildings for energy conservation, using promising innovative technology to the maximum extent possible, and to disseminate the results of that experience in order to promote this type of conservation nationwide.

DEFINITIONS

SEC. 3. DEFINITIONS.—As used in this Act—

(a) "Administrator" means the Administrator of the Federal Energy Administration.

(b) "Director" means the Director of the National Bureau of Standards.

(c) "Panel" means the Awards Panel as defined in section 4.

(d) "Governor" means a Governor of one of the fifty States.

(e) "Municipality" means a town, city, or other district in the United States which is not a State, which has powers of local self-government, and which owns at least ten buildings.

(f) "Executive" means mayor of a city or town, executive officer of a county or other municipality who has authority to contract for retrofitting of buildings which belong to that municipality.

DUTIES OF ADMINISTRATOR

SEC. 4. (a) Within ninety days after the enactment of this Act, the Administrator, in consultation with the Director of the National Bureau of Standards shall establish procedures for identifying existing buildings as candidates for retrofitting with energy conservation equipment and systems for the purpose of decreasing the cost of supplying such buildings with energy for climate-conditioning, water-heating, lighting, and other major uses of energy. In developing such procedures the Administrator and the Director shall consult with other Federal agencies and appropriate professional architectural and engineering societies as required to insure a broad perspective and maximum utilization of professional expertise.

(b) The Administrator shall establish and convene on a timely basis, as required, an Awards Panel for the purpose of awarding grants to States and municipalities under section 6 of this Act. The Panel shall consist of the Administrator or his designate, the Director or his designate, and one other person to be chosen by the Administrator. The Administrator shall designate one member of the Panel as Chairman.

(c) The Administrator shall publish in the Federal Register procedures established under (a) of this section, along with the provisions of this Act and necessary procedures for applicants, and shall also transmit a copy of same to the Administrator of the General Services Administration.

FEDERAL PROGRAM

SEC. 5. (a) On the basis of procedures established in section 4 the Administrator of the General Services Administration shall, within six months after the date of enactment of this Act, select no fewer than forty federally owned buildings as candidates for retrofitting with energy conservation equipment and systems. The buildings shall be selected so as to offer a wide range of geographic and technological circumstances and opportunities for implementation of energy conservation measures which can be justified on a life-cycle cost basis.

(b) The Administrator of the General Services Administration shall, within six months after the date of enactment of this Act, solicit proposals for retrofitting each building identified in subsection (a) of this section with energy conservation equipment and systems. On the basis of the proposals received in response to his solicitations, the Administrator of the General Services Administration, in consultation with the Administrator and the Director, is authorized

to award contracts for the design and installation of energy conservation equipment and systems in any or all of the federally owned buildings identified in subsection (a) of this section. In addition to the cost and estimated effectiveness of the proposal in achieving energy conservation, the potential for a novel and innovative approach to be of particular value in wide application shall be a factor in awarding contracts.

(c) Grants for Federal buildings shall be for the full cost of the contract, within the limit of funds available, but not to exceed $1,000,000 for any one building.

STATE AND MUNICIPAL PROGRAM

SEC. 6. (a) Governors of the fifty States and executives of municipalities may submit requests for grants for retrofitting of buildings owned by their respective States or municipalities. Requests for grants shall be submitted to the Panel, through the Administrator, and shall include, in accordance with procedures published by the Administrator in the Federal Register, a description of their State or municipal awards panel, the criteria and procedures by which it will select proposals for awards, and an identification of the State or municipal buildings for which grants are to be sought.

(b) The Panel is authorized to allocate grants to States and municipalities from funds appropriated for those purposes, in accordance with criteria established by the Panel for State and municipal programs.

(c) Grants to States and municipalities shall be on a 3-to-1 Federal to State or municipality matching basis and may not be used for any other purpose. Grants may not exceed $10,000,000 Federal share for any one State nor $6,000,000 Federal share for any one municipality out of one year's appropriation under this Act.

ADMINISTRATIVE PROVISIONS

SEC. 7. (a) The Administrator of the General Services Administration, Governor or executive responsible for the administration of a grant under this Act shall file with the Administrator in such form as he may prescribe, reports or answers in writing to such specific questions, surveys, or questionnaires as may be necessary to enable the Administrator to carry out his function under this Act and to evaluate the effectiveness of the program in promoting energy conservation.

(b) The Administrator of the General Services Administration and the Governors and executives administering grants under this Act shall keep such records as the Administrator may prescribe in order to assure an effective audit of the disposition of the funds provided under this Act.

(c) The Administrator and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access, for the purpose of audit and examination to any books, documents, papers, and records of any State or municipality which receives a grant under this Act that are pertinent to the grant received.

REPORT TO CONGRESS AND DISSEMINATION OF INFORMATION

SEC. 8. (a) The Administrator shall, not later than one year after the enactment of this Act, submit a report to the President and to the Congress presenting the results of this program. A second report shall be submitted not later than two years after enactment of this Act.

(b) The Administrator shall disseminate to the public, in such form and in such manner as he deems most effective, results of this program which promise to further promote conservation of energy on a wide scale. Each grantee shall be required, as a condition of the grant, to make available to any interested person the complete breakdown of cost information incurred in his project.

AUTHORIZATION OF APPROPRIATIONS

SEC. 9. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act, not to exceed $30,000,000 for the Federal program, $60,000,000 for the State program, and $60,000,000 for the municipal program for each of the fiscal years ending June 3, 1976 and June 30, 1977, to remain available until expended.

Mr. TUNNEY subsequently said:

Mr. President, I ask unanimous consent that a bill I introduced earlier be referred jointly to the Committee on Public Works, the Committee on Commerce, and the Committee on Government Operations.

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

By Mr. BEALL:

S. 1394. A bill to amend section 403 of the Congressional Budget Act of 1974 to require cost estimates of proposed legislation covering a 5-year period and to include costs to be incurred by nongovernmental entities. Referred to the Committee on Government Operations.

ECONOMIC IMPACT STATEMENT ACT OF 1975

Mr. BEALL. Mr. President, I am today introducing legislation, the Economic Impact Statement Act of 1975, designed to require that Congress take a close look at the cost of legislation, both for Government and the consumer, prior to legislative action.

My legislation will require the Director of the Congressional Budget Office to prepare an estimate of costs to be incurred by the Federal Government, by State and local governments, and by nongovernmental entities for a 5-year period for each authorization bill reported to the Senate or House of Representatives.

As my colleagues know, the Congressional Budget Act of 1974 already requires that an estimate be made to reflect the cost to the Federal Government during a 5-year period. However, it is my belief that these provisions do not go far enough. In addition to measuring Federal costs, we must also project what the bill is going to mean, costwise, to State and local governments and to the private sector.

All of us are aware that Government can cause inflation through either unwise fiscal or monetary policies. But increasingly Americans are realizing that inflation can be caused through governmental actions which increase the cost of production and thus raise prices for goods and services.

Although there are countless examples of this phenomena, one good sample took place when Congress enacted legislation requiring that inner-lock seatbelt systems be required in all 1975 automobiles. The result was that car prices were increased by at least $100 and the system was such a failure that last year the Congress repealed its decision. Perhaps we in Congress would have enacted the inner-locking legislation anyway, but at least if we had known the cost per car of the system, we might have deliberated a little longer before taking action.

In the 1960's, Congress decided that to protect our environment, we needed to initiate a system of environmental statements which would weigh the possible adverse environmental impacts a particular project would have on our air, water, and land. Now, I believe we need to begin a system of economic impact statements, to weigh prior to action a project's effects on our threatened economic conditions.

Unless Congress begins to rationally measure the long-term fiscal impact of its action, we will soon be faced, in the public sector, with a widely inflationary budget which Congress cannot reduce, and in the private sector with escalating Government-imposed costs which fuel the fires of inflation and cause dramatic increases in the price of goods and services which must be paid by the consumer.

My legislation is a first step in recognizing the long-term inflationary impacts Federal action often has, and will enable us to more adequately measure these effects before we act. I urge favorable consideration of this legislation.

Mr. President, I ask unanimous consent that two articles from the March 5 1975, Washington Post further discussing this problem be printed in the RECORD.

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

[From the Washington Post, Mar. 3, 1975]

IT'S TIME FOR ECONOMIC IMPACT STATEMENTS

The scope of new government programs and regulations has never expanded so rapidly as it has in the past decade, except, perhaps, during the early days of the New Deal. Since the mid-1960's federal legislation and administration orders have set new standards for air, water, noise, meat, poultry, fabrics, land sales, boats, paint, credit transactions, industrial safety, and employment practices—to mention but a few. All of these regulations involved efforts to improve the quality of life for some or all citizens, and most have had a measure of success. Some have required the expenditure of large sums of tax money, while others have not. All, however, cost somebody something, and the costs that don't show up in tax bills tend sooner or later to show up in price increases. As Murray L. Weidenbaum makes clear in a new study, a portion of which appears elsewhere on this page today, those price increases have been a significant component in the inflationary spiral. And, if the expansion of regulation goes on at its present rate, such price increases could produce a stagnant economy.

The argument over health care provides a classic example of the way the present system works. Heatlh insurance plans before Congress are usually discussed in terms of how much they will cost federal or state governments in tax money. While these figures are of obvious importance, the true cost of any such plan must include the additional expenses the plan will impose on employers and employees. If those additional expenses are paid by the employers, they will be reflected, sooner or later, in prices. If they are paid by employees, they will be reflected in a loss of buying power, in either case, they are real costs, just as tax increases are real costs.

Congress has taken note of one aspect of this problem by requiring that the President's budget set out as "tax expenditures" those losses in tax revenues that result from deductions or tax credits used to encourage economic activities. But it needs to go further. In order to get a true picture of the full costs of a health plan or noise reduction regulation or any other federal program, Congress needs an "economic impact" statement not unlike the environmental impact statements now required of many construction programs. Then it could know how much a particular program or set of regulations really costs.

This is not to suggest that things like health insurance or safety regulations or meat inspection programs should be postponed or abandoned. Rather, it is to suggest that Congress and the public should be aware of the full costs of the legislation it approves—and of the individuals or institutions that will be made to bear those costs. We suspect that if Congress recognized the full cost of some of the information federal agencies now gather or of some of the health and safety regulations that have been imposed, it would cut back certain federal activities. The benefits, in some instances, of the information or the regulations would hardly seem commensurate with the costs. And, in a time of inflation and recession, any unnecessary cost imposed by government on business or individuals simply increases the agony.

[From the Washington Post, Mar. 5, 1975]

GOVERNMENT REGULATIONS: THE INFLATIONARY COSTS

(By Murray L. Weidenbaum)

As the American public is learning to its dismay, there are many ways in which government actions can cause or worsen inflation. Large budget deficits and excessively easy monetary policy are usually cited as the two major culprits, and quite properly. Yet, there is a third, less obvious—and hence more insidious—way in which government can worsen the already severe inflationary pressures affecting the American economy.

That third way is for the government to require actions in the private sector which increase the costs of production and hence raise the prices of the products and services which are sold to the public. For example, the price of the typical new 1974 passenger automobile is about $320 higher than it would have been in the absence of federally mandated safety and environmental requirements. Attention needs to be focused on this third route to inflation for two reasons: (1) the government is constantly embarking on new and expanded programs which raise costs and prices in the private economy and (2) neither government decision makers nor the public recognize the significance of these inflationary effects. Literally, the federal government is continually mandating more inflation via the regulations it promulgates. These actions of course are validated by an accommodating monetary policy.

Obviously, most of these government actions are not designed to increase prices. Nevertheless, that is their result. In part because of efforts to control the growth of government spending, we have turned increasingly to mechanisms designed to achieve a given national objective—better working conditions, for example, or more nutritious foods—without much expenditure of government funds. The approach emphasizes efforts to influence private decision makers to achieve specific ends. Thus, rather than burden the public treasury with the full cost of cleaning up environmental pollution, we now require private firms to devote additional resources to that purpose. Rather than have the federal government spend large sums to eliminate traffic hazards, we require motorists to purchase vehicles equipped with various safety features that increase the selling price.

At first blush, government imposition of socially desirable requirements on business appears to be an inexpensive way of achieving national objectives: it costs the government nothing and therefore is no burden on the taxpayer. But, on reflection, it can be seen that the public does not escape paying the cost. For example, every time that the Occupational Safety and Health Administration imposes a more costly, albeit safer, method of production, the cost of the resultant product will necessarily tend to rise. Every time that the Consumer Safety Commission imposes a standard which is more costly to attain, some product costs will tend to rise. The same holds true for the activities of the Environmental Protection Agency, the Food and Drug Administration, and so forth.

The point being made here should not be misunderstood. What is at issue is not the worth of the objectives of these agencies. Rather, it is that the public does not get a "free lunch" by imposing public requirements on private industry. Although the costs of government regulation are not borne by the taxpayer directly, in large measure they show up in higher prices of the goods and services that consumers buy. These higher prices, we need to recognize, represent the "hidden tax" which is shifted from the taxpayer to the consumer. Moreover, to the extent that government-mandated requirements impose similar costs on all price categories of a given product (say, automobiles), this hidden tax will tend to be more regressive than the federal income tax. That is, the costs may be a higher relative burden on lower income groups than on higher income groups.

Government regulation is an accepted fact in a modern society. The point being made here is the modest one that a given regulatory activity generates costs as well as benefits. Hence, consideration of proposals—and they are numerous—to extend the scope of federal regulation should not be limited, as is usually the case, to a recital of the advantages of regulation. Rather, the costs need to be considered also, both those which are tangible and those which may be intangible.

It should be acknowledged that what is taking place in the United States represents not an abrupt departure from an idealized free market economy, but rather the rapid intensification of fairly durable trends of expanding government control over the private sector. In earlier periods, when productivity and living standards were rising rapidly, the nation could more easily afford to applaud the benefits and ignore the costs of regulation. But now the acceleration of federal controls coincides with, and accentuates, a slowdown in productivity growth and in the improvement in real standards of living. Thus, the earlier attitude of tolerance toward controls is no longer economically defensible.

Worthy objectives, such as a cleaner environment and safer products, can be attained without the inflationary impact that regulation brings, and public policy should be revised to this end. But we need to examine more closely the phenomenon of government-mandated price increases. It is likely that this unwanted phenomenon will be with us for some time—at least until consumers and their representatives recognize the problem and urge changes in public policy.

As these government-mandated costs begin to visibly exceed the apparent benefits, it can be hoped that public pressures will mount on governmental regulators to moderate the increasingly stringent rules and regulations that they apply. At present, for example, a mislabeled product that is declared an unacceptable hazard often must be destroyed. In the future, the producer or seller perhaps will only be required to relabel it correctly, a far less costly way of achieving the same objective.

By Mr. THURMOND:

S. 1395. A bill to amend title 10 of the United States Code, to provide for an exclusive remedy against the United States in suits based upon medical malpractice on the part of active military medical personnel, and for other purposes. Referred to the Committee on the Judiciary.

Mr. THURMOND. Mr. President, it is disturbing to learn that our Government does not provide any statutory legal remedy to defend military doctors in court suits for alleged malpractice. Recently, there have been a growing number of suits filed personally against military doctors. These doctors stand a risk of losing their property, their salary and their savings in tort claims of alleged malpractice.

The Federal Tort Claims Act, as passed in 1946, did not bar suits against Government employees individually who committed torts while acting within the scope of their employment. Subsequently, three statutes were enacted by the Congress which barred such suits against three particular classes of Federal employees, such as drivers of Government vehicles, medical personnel of the Veterans' Administration and the Public Health Service. Moreover, Public Law 91–623, 42 U.S.C. 233, with respect to Public Health Service medical personnel, also authorized the purchase of medical malpractice insurance coverage for medical personnel assigned to foreign countries, or detailed to other than a Federal agency or institution.

Mr. President, this is obviously an inequality of treatment between the medical personnel of the Department of Defense and those of the Veterans' Administration and the Public Health Service. The law should provide equal protection for military doctors. This inequity presents a serious morale problem in the Medical Corps of the Armed Forces. Consequently, I am recommending legislation to amend title 10 of the United States Code to eliminate this discrimination and to authorize the Government to accept the legal responsibility for a judgment against an individual doctor in the performance of his professional military duties.

Mr. President, this legislative proposal will provide for an exclusive remedy against the United States in suits based upon medical malpractice on the part of active duty military physicians, dentists, nurses, pharmacists, or paramedical personnel and for other purposes. The Surgeon Generals of the Army, Navy, and Air Force recommend enactment of this bill. This legislation, if approved, also would be most helpful in the recruitment and retention of physicians, dentists, and other medical personnel.

This bill will force such alleged malpractice suits into a Federal court with the Government as the defendant under the Federal Tort Claims Act and with the Justice Department responsible for defense. Any liability resulting from such cases would be the responsibility of the Government. This bill would also provide the Government the authority to purchase limited coverage of medical malpractice insurance which is much too expensive for military medical personnel.

Mr. President, this is the objective of my bill. I sincerely urge my distinguished colleagues to give this proposal serious and favorable action. I ask unanimous consent that this bill be printed in the RECORD.

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

S. 1395

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapter 55 of title 10, United States Code, is amended—

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

"§ 1089. Defense of certain malpractice and negligence suits

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

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

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

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

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

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

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

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

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

By Mr. HARTKE:

S. 1396. A bill to amend the Regional Rail Reorganization Act of 1973 to provide a greater percentage of Federal subsidy of rail lines proposed to be abandoned and to require more thorough analyses of branch lines before a final determination is made not to include them in the Consolidated Rail Corporation. Referred to the Committee on Commerce.

Mr. HARTKE. Mr. President, I am today introducing amendments to the Regional Rail Reorganization Act of 1973, which are designed to accomplish two essential purposes. First, as my colleagues here in the Senate will remember, the Regional Rail Reorganization Act creates a mechanism for expedited abandonments of light density rail lines that do not cover their costs. In other words, only those rail lines that at least cover their costs are to be included in the new ConRail system. Lines that do not cover their costs are eligible for subsidy under title IV of the Regional Rail Reorganization Act. If a State wishes to continue operations over one of these lines, it may take advantage of the subsidy provisions of title IV, pursuant to which the Federal Government will pick up 70 percent of the difference between costs and revenue on the particular line. The State is to contribute the remaining 30 percent. Title IV also requires the establishment of a State rail program, similar to the State highway programs that now exist in all States.

Mr. President, the objectives of title IV of the Regional Rail Reorganization Act are laudable. Not only will an attempt be made to formulate the much needed planning for rail transportation on the State level, but both the States and the Federal Government will be participating in decisions regarding rail service. While the Federal Government picks up the major share of the financial burden, the States have an economic stake in the continuation of service and will be making decisions based on sound principles of cost benefit analysis and balanced transportation policy. Unfortunately, the creation of State rail programs is an entirely new subject for many of the States in the 17-State region covered by the Regional Rail Reorganization Act. While State highway programs have existed for years, the act requires the creation of a State rail program and the ability to participate in the subsidy arrangement within a relatively short period of time. This period of time has not been sufficient for many States to create the needed program. Furthermore, the short time frame available for the U.S. Railway Association to analyze all light density lines in the region for inclusion in ConRail or eligibility for rail service continuation subsidy has been very short. This shortness of time has precluded specific analysis of every branch line with attention to the exact condition of the line, potentials for development, and in some cases even actual carloadings. The legislation I am proposing today addresses both of these problems. First, by allowing a 100-percent Federal subsidy for the first year of operation by ConRail, the States will be given the requisite time to put their State rail programs in order. Second, States—many of which are facing extreme financial strain in the current economic recession—will have more time to arrange adequate funding for State rail programs. Third, the additional time will permit more specific site analyses of various branch lines. This may lead to more light density lines being included in the ConRail system, once more is known about their condition, their potential for future development, and other factors which will be considered on a more timely basis.

Mr. President, the United States is on the threshold of major changes in the field of rail transportation in conjunction with an attempt to create a more balanced transportation system. Rail services continuation subsidies are one element of this fundamental change in policy, and I would like to point out to my colleagues that S. 863 was recently introduced by myself, Senator PEARSON, and several other Senators. S. 863 extends the rail service continuation subsidy program and expands it nationwide. I would anticipate that this legislation will be favorably reported by the Senate Commerce Committee during this Congress, and will form one part of the needed changes in transportation policy in the United States. The amendments I am introducing today will permit a more orderly and smooth transition for the States and communities affected by the Regional Rail Reorganization Act. The amounts already authorized for the rail services continuation subsidy program contained in title IV of that act are sufficient to accommodate the changes proposed in this legislation, and I am confident that the Commerce Committee will soon be reviewing these proposed amendments in conjunction with any other adjustments which may be made in the Regional Rail Reorganization Act.

Mr. President, I ask unanimous consent that the proposed amendments to the Regional Rail Reorganization Act of 1973 be printed in the RECORD.

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

S. 1396

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

SEC. 2. Section 202(b) of the Regional Rail

Reorganization Act of 1973 (45 U.S.C. 712(b)) is amended by adding the following new paragraph at the end thereof:

"(8) conduct specific analyses of any specified branch line of railroad in the region and to investigate and devaluate the costs and benefits of including its rail properties in the final system plan under section 206 (c)(1)(A) of this title, at the written request of an affected State, if such request includes a detailed statement of the State's reasons for believing that such branch line should be designated for inclusion in such plan.".

SEC. 3. Section 402(a) of the Regional Rail Reorganization Act of 1973 (45 U.S.C. 762(a)) is amended by striking the second sentence and inserting in place thereof the following sentence:

"For purposes of subsection (b)(1) of this section, the Federal share of a rail service continuation subsidy be 100 per centum for the first year of subsidized operation; 90 per centum for the second year of subsidized operation; 80 per centum for the third year of subsidized operation; 70 per centum for the fourth, and any subsequent, year of subsidized operation.".

By Mr. KENNEDY:

S. 1397. A bill to amend section 22 of the Federal Meat Inspection Act relating to punishment for the commission of certain offenses under such act. Referred to the Committee on Agriculture and Forestry.

AMENDMENT TO THE FEDERAL MEAT INSPECTION ACT

Mr. KENNEDY. Mr. President, I am introducing today a bill to amend section 22 of the Federal Meat Inspection Act. My amendment is designed to relieve many of the present pressures on the dedicated and hard-working corps of Federal meat inspectors.

The statute which I proposed to amend was originally enacted in 1907 and contains three parts dealing with bribery and corrupt influence of inspectors in the discharge of their duties. The present statute places an extreme burden on the inspectors by opening them to criminal liability for merely accepting any gift—given with any purpose and from anyone engaged in interstate commerce. On the other hand, it allows those involved in the meat packing business to offer gifts and gratuities to inspectors with impunity, so long as there is no demonstrable intent on their part to influence the inspectors in the discharge of their duties. The result is not merely an academic imbalance in a 65-year-old law. It has been the indictment and conviction to a number of inspectors, with no corresponding consequences for the donors whose gifts gave rise to the criminal charges.

In October 1971, 40 employees of the U.S. Department of Agriculture Animal and Plant Health Inspection Service in Boston were indicted in the Massachusetts Federal court. These men were for the most part dedicated career civil servants who, during the course of their employment as meat inspectors, had been offered and had accepted gifts from officers or employees of the companies to which they were assigned. They were charged with receiving a thing of value. No specific intent on the part of the inspectors was charged. There was no evidence that the gifts in any way influenced inspection standards, methods, or reports.

But these men had in fact violated Federal law. Some had accepted large monetary gifts, but others had only casually gone along with favors offered them on isolated occasions: Mr. Ray Tacito, an inspector of some 25 years, was charged with receiving four bundles of meat valued at around $50 back in 1967; Mr. William Martin was charged for receiving 8 ounces of ham salad, 8 ounces of turkey salad, two small packages of Danish ham, and two bottles of liquor—about $20 in value. The circumstances surrounding the indictments and trials in this case caused a furor among Government employees.

Mr. President, when I received petitions signed by over 4,000 persons requesting that I look into the problems giving rise to and resulting from the indictments of the 40 meat inspectors, I immediately wrote the Secretary of Agriculture requesting his observations. The Administrator of the USDA Animal and Plant Health Inspection Service wrote that the "essence" of the Boston situation "lies in patterns of behavior firmly established over a period of time, which have contributed to a gradual decline in the integrity of our inspection program in that area."

I believe that Congress and the American people should continue to expect the highest standards of ensuring the cleanliness of our Nation's meat supply. Therefore, it is entirely proper that there be imposed strict sanctions on the receipt of gifts by inspectors from persons related to the businesses where they work. By the same token, the absence of an equivalent prohibition directed toward the packers themselves appears to invite the bestowing of gifts and favors by them on inspectors—either occasionally or frequently—since proving any intent to influence the inspectors' actions is in most cases a practical impossibility.

The staff of my Subcommittee on Administrative Practice and Procedure conducted an informal inquiry into this matter, directed not toward the specific criminal cases involved but toward determining what might be done in the future to prevent such situations from arising. Mr. Daniel Kearney, national vice president of the American Federation of Government Employees, provided us with background and details necessary to our assessment of alternative approaches to the problems raised. Out of these activities grew the proposal which is incorporated in the amendment I am today introducing, which is supported by the AFGE.

My bill is straightforward. It would not eliminate the offense of receving gifts on the part of inspectors. It would, however, impose equal restrictions on the packers. It would also limit the offenses to those involving persons falling under the meat inspection program. The thrust of this bill would be to remove from the packers any temptation to bestow gifts or favors on inspectors. More importantly, however, would be the removal of the social pressures on inspectors "not to look a gift horse in the mouth." They would know that the sanction attaching to the acceptance of egg salad, a ride across town, a bottle of liquor, or a bundle of meat would attach equally to the donor, relieving inspectors from the now one-sided burden of the law.

For the background of my colleagues, I ask unanimous consent that an excellent article on the subject which appeared in Harpers magazine be printed in the RECORD.

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

THE CURIOUS CASE OF THE INDICTED MEAT INSPECTORS—LAMB TO SLAUGHTER

(By Peter Schuck)

THE INSPECTORS: "ALONE IN THE LION'S DEN"

At seven o'clock on the morning of October 8, 1971, Edmund Wywiorski arrived for work at a meat-processing plant in Boston. He entered the plant, waving casually to employees inside the gate, and headed for the U.S. Government office at the rear of the building. As he walked slowly past the long, silent lines of processing machinery being hosed down for another day's work, Wywiorski's thoughts oscillated between his first morning as a U.S. Department of Agriculture meat inspector back in 1929, and the jubilee day, now less than two years off, when he would reach sixty-five and retire. He smiled to himself as he walked, trying to imagine how many carcasses he must have inspected in those forty-two years. The old man, unaccustomed to such flights of fancy, broke off the effort as he approached the office door. Glancing at the other inspectors already inside, he knew immediately that something was up.

For most Federal meat inspectors, as for Edmund Wywiorski, theirs is a career, a life's work. More than perhaps any other federal career job, however, meat inspection is a grueling, exacting enterprise. Of all blue-collar work in our society, only that of the policeman on the beat begins to compare with meat inspection for the rigor of the intellectual, physical, social, and psychological demands on the job.

The meat inspector works under extremely unpleasant, if not nauseating, conditions. Most meat-processing plants are old, hot, noisy, and noisome. The constant sight and smell of rent flesh, blood, entrails, and offal are sensuous assaults to which the inspector may grow accustomed, but never immune. Twelve-hour work days are common. The inspector must often cover many "houses" in a circuit, traveling from plant to plant at some distance and at odd hours.

What the meat inspector must endure is nothing compared to what he must know. Many inspectors now start at a GS-5 level, earning less $7,400 per year, yet they cannot perform a day's work without routinely applying vast knowledge of food chemistry, bacteriology, animal pathology, sampling techniques, food-processing machinery and technology, plant construction, and industrial hygiene. The regulations, guidelines, and directives the inspector must follow and enforce are so numerous, intricate, and technical that they seem like the bureaucratic equivalent of Mission Control at Cape Kennedy. There are detailed regulations specifying the nature and condition of the salt solutions that may be used on wetting cloths applied to dressed carcasses. There are extensive instructions pertaining to packaging, labeling, and transportation of inspected products. Section 310.10 of the Manual of Meat Inspection Procedures sets forth in fifteen single-spaced pages the requirements for the "routine" (other than final inspection) postmortem inspection of every carcass A typical excerpt follows:

"Examination of the liver should include opening the large bile duct. This should be done very carefully as cutting through the duct into the liver tissue will interfere with the detection of the small lancet liver fluke. The incision shall extend at least an inch through the bile duct dorsally and in the

other direction as far as possible. The beef liver should be palpated on the entire parietal surface and within the area of the renal impression. Palpation should be accomplished by exerting sufficient pressure with the hands and fingers to be able to detect deep abscesses or cysts within the liver. . . ."

The complex regulations and instructions nevertheless leave the inspector with an irreducible residue of discretion within which he is empowered to impose grave sanctions against the processor, including closing down the plant. In part, this discretion derives from the inability of law to reconcile fully the imperatives of uniformity and diversity. The point at which a "remote product contamination," i.e., a dirty rail, becomes a "direct product contamination," i.e., a very dirty rail, is obviously a matter of degree, and the regulations concede as much. Yet the latter may justify the inspector's closing down production until the condition is remedied, while the former ordinarily will not.

But the inspector's discretion goes well beyond this. It is a commonplace in the industry, denied only by official USDA spokesmen, that if all meat-inspection regulations were enforced to the letter, no meat processor in America would be open for business. This fact, probably common to all regulated industries, says as much about an agency's tendency to overregulate as about an industry's unwillingness to comply with the law, yet the net result is the same: the inspector is not expected to enforce strictly every rule, but rather to decide which rules are worth enforcing at all. In this process, USDA offers no official guidance, for it feels obliged, like all public agencies, to maintain the myth that all rules are rigidly enforced. Unofficially, the inspector is admonished by his USDA superiors to "use common sense," to do his job in a "reasonable way."

Ironically this amalgam of discretion—conferred by law, custom, and necessity—represents to the inspector not power but impotence. For he is obliged to exercise this discretion in a fluid, political context in which he is a pawn of those interests—the processor, its employees, and USDA—with the greatest stake in that exercise. The inspector is the focus, but not the locus, of responsibility.

Most meat processors (or packers) operate on a narrow margin of profitability. In a fiercely competitive industry the incentives to cut costs are practically irresistible. Watered hams, fatty sausages, chicken ingredients instead of beef—these are but a few of the strategems of the resourceful, cost-conscious packer. A 1 percent increase in the weight of poultry from added water, for example, has been estimated to cost consumers $32 million per year; government studies show excessive watering to be a routine practice. Violations of sanitation and construction standards are also profitable to the packer. There is every reason to delay compliance as long as possible and only one reason to comply at all—the threat that the inspector will stop production until the offending condition is remedied.

To forestall this threat, the packer relies upon a mixed strategy with the inspector, offering the carrot and wielding the stick. The carrots available to the packer are many, and perhaps the most significant is overtime. Since an inspector may earn thousands of dollars annually in overtime to supplement his meager USDA salary, availability of this perquisite is of crucial importance. The packer decides each day how long the plant will operate and bears the cost of all inspectors required beyond the normal eight hours. Inspectors insist that the subtle offer and withholding of overtime is a mainstay of the system of rewards and punishments by which they are encouraged to be "reasonable."

Another carrot is the gift or favor. Many items are necessary to the inspector's work—boots for the wet floor, freezer coats, pens, office supplies—yet USDA refuses to supply some of them, and scrimps on others. Some packer gifts seem animated by simple goodwill, the oil that lubricates the interactions of people working closely together in the plant day in and day out. A bag of doughnuts for the night shift, a Thanksgiving turkey, a bottle of Scotch at Christmas—these are routinely given to plant employees, and the inspectors are often included. Other gratuities grow naturally out of specific work situations. According to one inspector, "when you have to work overtime, the packer may send out for beer and sandwiches. If you insist on paying, they tell you to go out and get it yourself. It is to the packer's interest to have you eat on the job, so the line can keep running."

To the inspector, a gift of meat is even less suspect. The packer who throws away literally hundreds of pounds of edible product daily for one reason or another—and deducts it as a business expense—does not seen particularly insidious when he asks the inspector, "Need anything for Sunday dinner, Doc?" An inspector observing policemen, firemen, politicians, representatives of veterans groups, hospitals, and other charitable organizations, as well as the packer employees with whom he works, leaving the plant laden with free meat, is hard put to rationalize why he alone should refuse the proferred gift.

The practice is called "cumshaw"—accepting small amounts of product for one's own use at home. Inspectors argue that the pressure to conform to the practice begins from the first day on the job, and comes almost as much from other inspectors as from packers. "We are weaned on the tradition. The old-timers always say, 'It isn't a good inspector who pays for his Sunday dinner.' They tell you that everybody else does it and has always done it, that it has nothing to do with doing your duty, and that if you don't take it, someone else will. I figure the job is hard enough without having the other inspectors suspicious of you." There are unwritten ground rules, moral strictures transmitted from inspector to inspector, and these too are impressed on the new recruit: "Don't accept more meat than your family can use"; "Don't solicit the meat from the packer"; and by far the most important, "Don't let cumshaw influence your judgment or the way you do your job."

To the inspector this distinction between acceptng a gratuity and accepting a bribe is clear and morally based. The general federal bribery statutes recognize this distinction and reinforce this morality by making it a crime for a public official to receive anything of value "in return for . . . being influenced in his performance of any official act. . . .," or "for or because of any official act performed or to be performed by him."

The inspector readily acknowledges that what appears to be a gift may become a bribe—if it is large enough, takes certain forms, or is given under certain circumstances—but to him, the critical factor is always whether the gratuity induces him not to enforce the regulations in the normal manner. "Sure I'll accept bundles of meat to take home for my family," says one, echoing the sentiments of many. "But that doesn't affect my decisions in the plant one iota, and the packer knows that. The fact of the matter is that if you get on a high horse and *refuse* to take a bundle, it makes it much more difficult to get the job done. Everyone becomes edgy and suspicious. Enforcing the regulations requires reasonableness, cooperation, and flexibility, as USDA is always telling us. If the packer, his employees, or the other inspectors think I look down on them, they are not going to cooperate with me. How can it be morally wrong to do something that hurts nobody and helps me get the job done?"

In addition to the normal urge to self-justification, then, much in the meat inspector's daily life—the pressures of his work routine, temptations by the packer, the job socialization process, the traditions of the industry, the conventional morality of his fellow inspectors, the general bribery statute, and the imperatives of "getting the job done"—tells him that he may accept small gratuities from the packer with a clear conscience. Section 622 of the Wholesome Meat Act, however, tells him something very different. Where the packers are concerned, this section conforms to the traditional ethic—a packer commits a felony in giving something of value to an inspector *only if* it is given "with intent to influence said inspector . . . in the discharge of any duty. . . ." A convicted packer does not forfeit the right to engage in the meat business. The inspector, on the other hand, commits a felony if he receives *anything* of value "given with any purpose or intent whatsoever." And a convicted inspector, in addition to bearing normal criminal penalties, "shall . . . be summarily discharged from office."

The rationale for this double standard is obscure. Federal employees must be held to a high standard of conduct, to be sure, but should it be any higher than that applicable to a packer extensively regulated and certified to do interstate business by USDA? Should one party to an illegal transaction be regarded as guiltless while another is branded a felon? On October 8, 1971, these questions suddenly lost their academic quality.

THE DEPARTMENT OF AGRICULTURE: A CASE OF NONSUPPORT

Ed Wywiorski, seeing the other inspectors huddled over a newspaper, quickly entered the office and looked at the banner headline in the *Boston Globe*: 40 MEAT INSPECTORS INDICTED IN HUB. A stunned silence lay over the inspectors, each gripped by a private terror. Minutes later, the office phone began its relentless ringing as wives, children, and friends called to ask if it could really be true. Wywiorski cannot recall what he did for the rest of the day or how he made his way back to his West Roxbury home, but his wife recalls that he arrived "in a trance" clutching a notice from USDA suspending him from duty until further notice, effective immediately. "Ed has literally been in a state of shock ever since that day," his wife confides, "and I don't think he will ever get over it."

Later that day, Herbert Travers, then the United States Attorney for Massachusetts and the man who had obtained the grand jury indictments, held a televised press conference in Boston to announce the indictment and suspension of the inspectors, the largest group of federal employees ever indicted at one time, and to assure the public that no impure food had resulted from the inspectors' crime. The indictments received extensive publicity in the national media, featuring the remark of a USDA spokesman that "We're expecting the worst scandal since meat inspection became mandatory in 1907." Shortly after the indictments became public, the governor appointed Travers to a Superior Court judgeship.

Several days after he was suspended, Wywiorski and thirty-nine other inspectors, almost two-thirds of the inspectors in the Boston circuit, were arraigned in federal court in Boston under indictments charging some of them with having accepted "things of value," some of them with having accepted bribes, and some of them with having done both. In addition, some were charged with having conspired with certain individuals to defraud the U.S. Government of the full value of their services. Many inspectors were not served with their indictments by the

Government until they were arraigned. Judge Charles Wyzanski chastised the prosecutors for finding time to be on TV but not to serve the indictments. The inspectors pleaded not guilty. None had any prior criminal record.

On October 22, the inspectors were summoned to the USDA office in Boston. Each was handed a written advance notice of a proposal to suspend him from duty without pay "until the outcome of the proceedings resulting from the indictment is known." The notice gave them forty-eight hours to respond, USDA refused to give them more time to obtain counsel and prepare their responses, although the forty-eight hours covered a holiday weekend, and Civil Service regulations entitle the employee to "all the time he actually needs to prepare and submit his answer." Five inspectors obtained a federal court order extending their time to respond until November 5. Despite oral assurances by USDA officials that *all* of the inspectors could have the additional time, USDA suspended the other thirty-five inspectors on November 1. This was done by identical form letters, although the inspectors were charged with vastly different crimes, ranging from receiving "a handful of screws" to accepting a bribe of thousands of dollars. Even before the suspensions, USDA had already begun filling the suspended inspectors' positions with permanent replacements.

The inspectors then appealed their suspensions to the Civil Service Commission and USDA, contending that to suspend them before they had even been tried, much less convicted, was illegal, and that USDA had not complied with the procedural requirements for suspension. Twenty-six of the cases are still pending before the Commission. In six other cases, the Commission's Appeals Examiner ordered immediate reinstatement pending trial.

USDA has appealed five of these reinstatement decisions to the Commission's Board of Appeals and Review and refuses to reinstate the inspectors pending the outcome. USDA failed to appeal the case of inspector Frank Cavaleri, yet it refused to reinstate him for seven weeks, and then immediately served him wih another notice of suspension. Seven inspectors appealed their suspensions within USDA and won, but USDA rejected the decision of its own hearing examiner as "unacceptable" and appealed to the Commission, refusing reinstatement in the meanwhile.

One union official, surveying the fruits of these hard-won administrative "victories," lamented, "USDA decided from the very beginning to throw these men to the wolves, and it is not going to let due process of law stand in its way." As a result, the inspectors have received no salary since October, and most have been unable to find any work while under indictment. Lack of income, coupled with high legal expenses, has driven all into debt and many to the point of utter financial ruin.

To an old-timer like Ed Wywiorski, who has spent two-thirds of his sixty-three years in USDA, the indifference of the Department to his plight has been profoundly dispiriting. After so many years, he had come to think of the Department possessively and metaphorically: it was "his" Department, it had nurtured him to manhood, it had trained him in a respected career, and it would provide for him in his old age. Now, it seemed, it had suddenly turned on him, almost rushing to condemn him before he had a chance to defend himself.

Many of the younger inspectors, however, see in the situation a confirmation of USDA's true allegiances. To them, the Department is simply a bureaucracy, cold and morally neutral, but possessed of an unerring instinct for political survival. One inspector puts it this way: "Look, we are probably the only regulatory officials who are required to go out among the regulated to do our job. We don't just visit them periodically, we just about marry them. Day after day, night after night, we are in the lion's den alone with the lion. How are we supposed to get along? USDA doesn't tell us. How are we supposed to resist the barrage of threats and temptations the packers constantly direct at us? USDA doesn't tell us. USDA *does* tell us to use our ingenuity to do our job, to use our common sense—but that's not very helpful when you're in the lion's den."

Every inspector has dozens of anecdotes about the failure of USDA supervisors to back him up in disputes with plant management. This pattern of nonsupport is clearly woven in the public records of USDA and outside investigative bodies. The conflict arises from the fact that the inspector, in the words of one old-timer, is "a shock absorber between USDA and the packer. If you tag too many violations, your supervisor will frequently say you are being too antagonistic and rigid. Then when you let some minor violations go, such as allowing 4 per cent milk powder in a sausage instead of 3.5 per cent, and the supervisor catches them, he blames it on you, not the packer."

Santa Mancina, the top USDA official in the Boston area, readily concedes that most inspector complaints about packer pressures are legitimate. "The packers up here are resistant as hell. I met with their trade association in an effort to communicate. They continually tried to pressure us. Hell, they threatened to go to Washington and cut our appropriations if we didn't play it their way. The packers, of course, complain about the inspectors, but I tend to believe the inspectors most of the time."

USDA files, only recently made public after a Freedom of Information Act suit, are filled with instances of vicious physical and verbal attacks on inspectors by packers or their employees. These assaults, criminal under the Wholesome Meat Act, elicit from USDA little more than gentle reproach and an exhortation to the packer to read the Act. The Act authorizes USDA to withdraw inspection permanently from serious or persistent violators, yet USDA has never invoked that authority. Reports by the General Accounting Office, the investigatory arm of Congress, repeatedly document the low morale of the inspection corps, attributing this in large part to USDA's failure to back up its inspectors.

USDA takes a rigidly legislatic position against the gratuity system while at the same time appearing to ignore—and even contribute to—the vortex of pressures and incentives that nourish this system. Once every year, USDA supervisors meet with inspectors to go over the regulations prohibiting acceptance of things of value from packers. According to many inspectors and supervisors, this is a very tongue-in-cheek affair. "The best analogy I can think of," says one, "is the Army when they read you the Articles of War or instructions on how to respond to brainwashing. It is all very make-believe, and no one, least of all the supervisors, takes it seriously. If you press them about how to apply these lofty principles in the real world of the plant, they say, 'Oh, it's okay to take a cup of coffee or an occasional meal from the packer.' If you ask how they reconcile that with the regulations, they tell you, 'Use your common sense.' We leave that meeting thinking small gifts are okay so long as they don't affect the way we do our jobs."

USDA enforces these regulations against inspectors with a passion rarely found in its dealings with unregenerate packers. Consider the case of inspector Harry Topol, thirteen years an inspector and a recipient of the USDA Certificate of Merit in 1968 "for sustained superior performance in carrying out assigned responsibilities." One Saturday morning in July 1969, Topol, on duty at a new assignment in Boston, received a telephone call from his brother-in-law, Salvatore Cina, who said he needed about ten pounds of frankfurters, salami, and bologna for a barbecue that afternoon. Cina asked Topol to put in the order for him, and said he would pick the meat up at the plant before closing. The plant closed before Cina arrived, so Topol filled out a purchase slip and took the meat from the order clerk, arranging to pay Monday since no cashier was on duty. On Topol's way out, a USDA supervisor saw the package, stopped him, and ordered him to return the meat. Topol complied and proceeded to forget about the matter.

Three months later, Topol received a letter from USDA charging him with violation of the regulation and proposing that he be fired. Astonished, Topol requested a hearing and received one—before a circuit supervisor in the meat-inspection program. The supervisor recommended that Topol be fired on the ground that he had purchased meat from a plant that had no retail outlet, despite the uncontradicted testimony of at least four individuals that they routinely walked into the plant off the street and bought meat.

Topol appealed and finally obtained a hearing before an official not connected with the meat-inspection program, who found that the plant did sell to the public and that all charges should be dismissed. The resourceful Director of Personnel, however, while accepting these findings, managed to have the last word. Topol had obtained credit for the purchase until Monday, he ruled, "a personal accommodation which was out of the ordinary." He suspended Topol for four weeks without pay. Two weeks after his suspension, Topol suffered a heart attack. Shortly thereafter, his wife had a nervous breakdown that her physician attributed to the strain of the yearlong ordeal.

THE DEPARTMENT OF JUSTICE: "IT IS MORE BLESSED TO GIVE THAN TO RECEIVE"

In April 1972, Ed Wywiorski's trial began. He had been indicted on eight counts of receiving meat, "a thing of value," in 1967 and 1968. Six of the counts alleged the receipt of a quantity "unknown to the Grand Jury," the seventh stated a quantity of "eight pounds, more or less," and the eighth cited a quantity of "twenty-one pounds and two ounces, more or less." Before trial, the prosecution conceded that Wywiorski had been indicted on three counts he could not possibly have committed, having been on vacation or at different locations at the times alleged. Judge Andrew Caffrey permitted James Krasnoo, the young Assistant U.S. Attorney prosecuting the inspector cases, to drop these counts over the objection of Arnold Felton, Wywiorski's attorney, who argued that the jury should be able to see the kind of evidence on which the prosecution's case rested. A fourth count was dismissed on a technicality.

Krasnoo then offered Felton a deal. "Wywiorski's only a little fish in a big pond," Krasnoo told Felton. "If he pleads guilty before trial, I'll recommend two years probation to the judge." Felton relayed this offer to his client. Wywiorski decided to stand trial on charges of having received four bundles of meat from Jack Satter, Baldwin Vincent Scalesse, and John McNeil. Satter and Scalesse were and are executives of Colonial Provision Company, and McNeil had been a quality-control man with Colonial.

The only damaging witness against Wywiorski was McNeil. He testified that he had no independent memory of transactions with Wywiorski but that when he worked at Colonial he had given bundles of meat to inspectors on behalf of Colonial and had made notations on rack cards for each transaction, usually including the initials of the inspector, the date, and the amount of meat given. He had saved these cards, and he produced four bearing the notation "EdWy."

At the end of the first day of trial, Felton was confronted with an agonizing decision. Reviewing his thought processes, Felton says, "Wywiorski is an old, ineffectual, harmless guy, what people call a 'nebbish.' He would

have made a terrible witness. Krasnoo would have made mincemeat of him. I decided he should plead guilty if we could get a favorable disposition." Felton called Krasnoo to ask if his offer to recommend probation on a guilty plea was still open. Krasnoo replied, "Tauro [the new U.S. Attorney] insists that we add on a $2,000 fine as a penalty for your having gone to trial." Wywiorski then called his wife from Felton's office. "I'm going to throw in the towel," he told her. "At least this way, I won't go to jail." Felton, Wywiorski, and Krasnoo then signed a form statement reciting that the determination as to a sentence recommendation "is always made after a verdict of Guilty or a Guilty plea has been entered, and not before. . . . Any statement relating to a recommendation by an Assistant U.S. Attorney made before a determination of guilt can only refer to his recommendation to be made to the U.S. Attorney, and does not refer to any recommendation to be made to the Court." The statement goes on to say that the final decision on sentence is that of the judge alone. The next day, Wywiorski entered a plea of guilty. Thus the trial ended before Felton could introduce evidence that on March 30, 1967, precisely the period during which McNeil said Wywiorski received meat, Wywiorski reported to his supervisor in writing that he had caught McNeil making entries of reports of laboratory results in official USDA folders without an inspector being present. The report concluded that McNeil left "in an annoyed and resentful manner."

On May 10, Wywiorski appeared before Judge Caffrey for sentencing. Caffrey told Wywiorski that before accepting his guilty plea and sentencing him, he wished to be satisfied that Wywiorski had in fact committed the crimes for which he was admitting guilt. Wywiorski stated that he had not. A surprised Caffrey reminded him that he could not accept a guilty plea unless he was actually guilty. Wywiorski again denied guilt. Caffrey suggested a short recess to resolve the confusion, during which Felton explained that Wywiorski could not plead guilty without admitting guilt, and that if he did not plead guilty, the deal with Krasnoo would be off. When court resumed, Caffrey once again asked Wywiorski if he was guilty. Wywiorski muttered that he had given McNeil the keys to his car (where McNeil had said the meat was probably placed). Caffrey then asked Krasnoo for his sentence recommendation, and Krasnoo responded with the agreed-upon recommendation. Judge Caffrey proceeded to sentence Wywiorski to one year in prison and a $1,000 fine.

Mrs. Wywiorski recalls the scene. "When the judge pronounced his sentence on Ed, even Krasnoo seemed stunned. Ed was in a trance. He had never for one moment believed that he would go to jail. All he had talked about was retirement, an end to the pressures in the plant. When the U.S. Marshals dragged him away, he still did not seem to know what had hit him. He is a totally broken man. And all this over four bundles of meat."

Wywiorski is now serving his prison sentence.

As of June 1, eight Boston meat inspectors had reached trial and had either been convicted or pleaded guilty. All six who have been sentenced so far have received prison sentences, ranging up to three years. The "bigger fish"—other line inspectors, two subcircuit supervisors, and a circuit supervisor, some of whom are accused of accepting money as well as meat—are still to come.

Krasnoo scoffs at the suggestion that the sentences have been unduly harsh. In his view, the inspectors have not been dealt with harshly enough: "These were public officials invested with a high public trust." (To the inspectors, this view is bitterly ironic. "For years," says one, "we've been pieces of shit, lowly GS-5s and 7s, barely noticed, barely lower middle class. Now, all of a sudden, we are exalted public officials charged with weighty responsibilities and moral leadership.") The young prosecutor told one lawyer that the inspectors were damned lucky that he wasn't prosecuting their wives, who he felt must have had knowledge of their crimes.

Most of the forty inspectors, like Wywiorski, were indicted on the testimony of McNeil, and to a lesser extent Scalesse and Satter, before a federal grand jury first convened in early 1970. The prosecution's case at trial was and is based almost entirely upon the same evidence.

One of the intriguing questions that haunt these trials is why McNeil, who left Colonial in June 1967 to become a USDA inspector, and who is all too familiar with the gratuity system, decided to go before the grand jury and incriminate the inspectors. There is some evidence—based on McNeil's frequently expressed hostility toward Colonial, and on his threats to sue Colonial for compensation for injuries sustained by him and his wife while in Colonial's employ—that he thought his revelations would result in prosecutions not of the inspectors but of the "biggest fish" of all: Colonial Provision Company. Such an expectation would be a natural one, of course, for McNeil's testimony is at least as damaging to Colonial, a company with annual sales of over $50 million, as to a bunch of low-level inspectors, many of whom were charged with receiving small quantities of meat. And while the inspectors could be effectively disciplined administratively—by loss of pay, discharge, or otherwise—Colonial could be punished only by prosecution and public obloquy.

If McNeil's intention was to damage Colonial, he has utterly failed to do so. The Department of Justice has actually contrived the meat-inspection prosecutions in such a way that Colonial has managed to emerge unscathed. That has not been easy to do, given the admissions of McNeil, Scalesse, and Satter that they routinely gave meat, money, and other things of value to numerous inspectors; thta McNeil, at Colonial's behest, doctored samples, illegally gained access to the USDA retention cage, and chose dummy samples; that Scalese lied to the grand jury in at least three sessions; that Satter lied to the grand jury and had tried to bring political pressure to bear from Washington against zealous inspectors. But the ingenuity of a political Department of Justice is not to be underestimated.

According to the Justice Department's own evidence, employees of Colonial and six other Boston area packers routinely and systematically gave meat, money, and other things of value to the forty inspectors on behalf of the packers. *Yet none of these packers or their employees has been, or probably ever will be, indicted for these transactions.* The reason is simple: after lying to the grand jury, Satter and Scalesse finally claimed the Fifth Amendment, refusing to answer further questions. The Department then granted them immunity from prosecution in order to induce them to testify against the inspectors.

When asked why the U.S. Attorney decided to grant immunity from prosecution to Colonial and six other packers and their employees, but not to the inspectors, prosecutor Krasnoo gave three reasons:

(1) "I would never grant immunity to a witness who lied before the grand jury." Yet Scalesse and Satter admittedly lied to the grand jury on several occasions prior to being granted immunity.

(2) "The inspectors failed to cooperate by giving evidence to the grand jury." But the packer witnesses also failed to cooperate, until they were offered immunity, and there is every reason to believe that the inspectors would have cooperated had *they* been offered immunity. Well before the indictments were issued, at least one attorney representing a group of inspectors told Krasnoo his clients would "sing like canaries" in return for immunity. The offer was refused. To the inspectors, it was clear from their first appearance before the grand jury that they were the targets of the investigation.

(3) "I know of no inspector who took the Fifth, so we couldn't offer them immunity." This is incorrect. A number of inspectors took the Fifth, as Krasnoo should certainly have known.

The real reasons that the Department of Justice pursued the minnows while protecting the whales probably lie elsewhere. As one former prosecutor put it: "From the Department's point of view, this was a smart prosecutive decision. By giving immunity to a relatively small number of influential packers who dealt with a relatively large number of inspectors, they could get a large number of convictions, a lot of publicity, and not step on any important toes. If they had prosecuted the packers, they would have had to prove 'intent to influence.' This way, the judge simply charges the jury that in order to convict, they need only find that the inspectors received anything of value. Since McNeil gets up with his cards and says they received, these are very easy cases to win."

The solicitude of the Department of Justice for Colonial, however, goes far beyond immunizing it from prosecution. For the Department has managed to draft indictments against the inspectors containing well over 2,000 counts, most of which involve gratuities given by key Colonial personnel, without ever mentioning Colonial by name. The same is true of the six other immunized packing companies. The indictments recite that things of value were given, and conspiracies entered into with the defendants, by certain named individuals—Satter, Scalesse, and McNeil in most cases—but they are not identified as employees or agents of Colonial. For all the public knows or *could* know from the indictments, Colonial and the other immunized packers have been pure as the driven snow. Since the mass media have confined their attention entirely to the indictments and the sentences, there has been virtually no coverage of the trials, at which the involvement of Colonial and other packers is brought out.

The Department, to be sure, has secured indictments against three small packers, none of them involved with the forty inspectors. Only one case has been tried, and the outcome is most intriguing and bizarre. As the result of an FBI plant and the use of marked money, inspector Robert Gaff had apparently been caught redhanded immediately after receiving money from a packer, Waters & Litchfield Co. On October 29, 1971, Gaff pleaded guilty to four counts of receiving things of value from two packers. He was sentenced to serve a six-month sentence (half that meted out to Wywiorski for accepting four bundles of meat). After Gaff completed his term and left prison, Waters & Litchfield was brought to trial in April. The Department of Justice, in a most extraordinary and inexplicable maneuver, *waived a jury*, knowing full well that a jury, particularly with the price of meat on their minds, would be far more likely to convict than a judge would be. Then Gaff took the stand as the prosecution's main witness, and his testimony—testimony that had supported his plea of guilty and the grand jury indictment of Waters & Litchfield—was so garbled that the judge directed a verdict of not guilty. So the Department's record remains clean as a hound's tooth: no packers convicted.

Other aspects of the meat-inspector cases also raise the question of whether the lady holding the Scales of Justice in front of the Department's headquarters is actually peeking from under her blindfold. On the day the indictments were returned against the inspectors, Herbert Travers, the then U.S. Attorney, took the extraordinary step in a case of this sort of applying for the issuance of

bench warrants for the immediate arrest of the inspectors. This procedure was highly unusual because no inspector had a prior criminal record (this is a condition of being a USDA inspector), and they were obviously unlikely to flee. Travers had arranged for federal agents to sweep through the meat districts and make a dramatic and well-publicized mass arrest and incarceration of the inspectors. The judge, seeing no justification for arrests, refused to issue the warrants.

When the indictments were announced in October to an attentive press, many of the counts against the inspectors were so trivial as to lend comic relief to an otherwise relentlessly depressing affair. One inspector indicted for receiving "a thing of value, to wit, a handful of screws," quipped, "I wouldn't mind if I had a big hand, but how many screws can I get in this?" Another inspector was indicted for receiving "a spiritual bouquet," a third for receiving a light bulb. Other "things of value" forming the basis for individual counts were half a can of shoe polish, "the picking up of one photograph," and a car wash. One inspector was charged with accepting a ride home for his daughter from a packer employee.

Many of the counts were not simply trivial, they were demonstrably mistaken. Frank Cavaleri, for example, was indicted on six counts, four of which occurred at times when he was not even working for the Government. Most inspectors had at least some counts of this order of accuracy. After all of the publicity and hoopla had been generated, of course, these counts were dropped by the U.S. Attorneys office, often over the objections of defense counsel who wished the jury to learn how casual the Department had been in securing indictments. The proliferation of counts had another purpose too. As one ex-prosecutor explained, "They threw indictments around like confetti to inundate the inspectors. Then Krasnoo could offer to drop most of the counts in exchange for a plea of guilty. Krasnoo was giving up nothing that was worth anything, of course, but to the inspectors, the offer must have seemed generous."

The Department of Justice has employed other questionable tactics. The indictments contain a large number of counts for accepting bribes—in which there is necessarily an allegation of intent to influence the inspector's official actions—as well as counts of simply receiving things of value, which include no such allegation. *Yet there has been no evidence that inspectors were bribed, and much evidence that they were not.* First, packer employees have admitted at the trials that the inspectors did their jobs and did not relax their application of the regulations. Second, Travers and Krasnoo have both stated publicly that the public has not been exposed to deficient meat products as a result of the indicted transactions. Third, Krasnoo has dropped all bribery counts before trial; he concedes that he has proved only the receipt of things of value by inspectors. Nevertheless, despite requests by defense attorneys not to do so, Krasnoo has used the term "bribery" in summations to the jury on a number of occasions.

The Department, in conjunction with the courts, also consistently penalizes those inspectors who invoke their right to go to trial. This practice is not unique to these cases, of course, but the result is not less unjust for being common. Inspector Hugh McDonald was indicted on 183 counts of receiving money, meat, and liquor; 163 counts were dropped before trial. Then Krasnoo induced him to plead guilty to nine counts of receiving meat and liquor, dropping the others. Krasnoo made no sentence recommendation to the judge. McDonald received one year in prison and a $1,000 suspended fine, Inspector Richard H. Murphy was indicted on 157 counts of receiving money and meat, 147 of which were dropped before trial. Krasnoo offered to make no sentence recommendation if Murphy pleaded guilty. Murphy insisted on going to trial and was convicted on ten counts of receiving money. Krasnoo then recommended a sentence of four years in prison, with a $4,000 suspended fine. Murphy received three years in prison and a $1,000 fine.

It is inconceivable that Murphy would have received so severe a sentence if he, like McDonald several weeks before, had pleaded guilty instead of invoking his right to put the Government to its proof in a trial. As Krasnoo well knows, Murphy's example has not been lost on the thirty-three inspectors still awaiting trial. "I have a strong case," says one "but look at the risk I run by going to trial before jurors angry about the high cost of meat. I will have to plead guilty to avoid paying 'the Murphy premium.'"

With the Department of Justice at the bargaining table, negotiation for guilty pleas can be a nasty business. In the case of one married inspector, the prosecution threatened to show that he had had sexual relations with a female employee of the packer. The Internal Revenue Service, presumably with the connivance of the Department of Justice, has conducted tax audits on a number of inspectors in an effort to show that they were living beyond their means, evidence that would assist the prosecution's case. The IRS, after securing records and cooperation from the attorney for several inspectors, has refused either to return the records or to issue a ruling, thus enhancing the bargaining power of the Justice Department in negotiating with the inspectors for guilty pleas.

The Boston meat-inspector cases raise disturbing questions. A steady stream of inspectors are now entering prison, their careers and reputations irretrievably lost, their families plunged into unspeakable despair. Yet within a mile of the federal courthouse, Colonial Provision Company flourishes, processing millions of pounds of meat daily; Jack Satter drives his Cadillac to his new job as president of Colonial, and Vinnie Scalesse has been promoted to head of a Colonial subsidiary. These admitted perjurers and the other packers who admittedly gave things of value to the inspectors continue to do business as before. John McNeil continues as a USDA inspector, sometimes training new inspectors in their duties, despite having admitted doctoring and switching USDA samples as a Colonial employee and having been a key link in a chain of illegality. The public continues to subsidize this system in several ways—in higher meat prices, reflecting the costs of gratuities, and in higher taxes, reflecting the packers' practice of deducting these gratuities as part of their operational "shrinkage." It is likely, in addition, that the public is getting an inferior product for its money. "How much rigorous inspection do you think is going on today at Colonial or these other houses?" one inspector asks. "These packers bought insurance against strict inspection. How do you think the inspector is going to behave knowing that he can be prosecuted simply on the word of the packer he is supposed to regulate and that the packer will not be touched?"

A society truly concerned about crime must concern itself with those social systems—like the meat plant—in which crime seems to make sense to otherwise moral men. "Cumshaw" is such a system, and it flourishes. While some of its practitioners have been punished, the most powerful have not. For the latter, at least, the system has paid handsome dividends.

By Mr. JACKSON:

S. 1398. A bill to provide authorization of activities and appropriations for the Department of the Interior for the period commencing July 1, 1976, and ending on September 30, 1976, in conformance to the requirements of section 502(a) of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344). Referred to the Committee on Interior and Insular Affairs and, if and when reported, to the Committee on Appropriations, by unanimous consent.

Mr. JACKSON. Mr. President, I send to the desk for appropriate reference proposed legislation submitted by the Department of the Interior to provide authorization of activities and appropriations for the Department of the Interior for the period commencing July 1, 1976, and ending on September 30, 1976, in conformance to the requirements of section 502(a) of the Congressional and Impoundment Control Act of 1974 (Public Law 93-344).

I ask unanimous consent that the letter to the Vice President from Assistant Secretary Kyl, dated March 24, 1975, be printed in the RECORD.

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

DEPARTMENT OF THE INTERIOR,
Washington, D.C., March 24, 1975.

Hon. NELSON A. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: There is enclosed a draft bill "To provide authorization of activities and appropriations for the Department of the Interior for the period commencing July 1, 1976, and ending on September 30, 1976, in conformance to the requirements of section 502(a) of the Congressional Budget and Impoundment Control Act of 1974 (P.L. 93-344)."

Numerous activities of the Department of the Interior including many funded through permanent authorizations and not covered by annual appropriations are authorized on the basis of the previous fiscal year timetable and would not be authorized during the period July 1, 1976, to September 30, 1976, if the enclosed draft bill were not enacted. A list of appropriate U.S. Code references is attached in order to provide examples of Departmental authorities requiring such legislation.

The draft bill would simply extend temporarily all Department of the Interior authorities in existence during fiscal year 1976 to the transition period commencing July 1, 1976, and ending September 30, 1976, in order that programs or other activities such as receipts, obligations and disbursements would continue as they would have had the fiscal year timetable not been changed by P.L. 93-344. Proposed changes in law required to effect an orderly and permanent change to the new fiscal year, as required by section 502(b) of P.L. 93-344 are being considered by the Office of Management and Budget and will be separately submitted by the Director of that Office.

The Office of Management and Budget has advised that there is no objection to the presentation of this draft bill from the standpoint of the Administration's program.

Sincerely yours,

JOHN KYL,
Assistant Secretray of the Interior.

A bill to provide authorization of activities and appropriations for the Department of the Interior for the period commencing July 1, 1976, and ending on September 30, 1976, in conformance to the requirements of section 502(a) of the Congressional Budget and Impoundment Control Act of 1974 (P.L. 93-344)

Be it enacted in the Senate and House of Representatives of the United States of America in Congress assembled, That, not-

withstanding any other provision of law, activities (including the receipt, obligation, apportionment and disbursement of funds) of the Department of the Interior which are authorized by law to be conducted during fiscal year 1976, are hereby authorized to be conducted during the period commencing July 1, 1976, and ending September 30, 1976, and any payments authorized to be made on or after the end of any fiscal year are authorized to be made on or after September 30, 1976, for the period July 1, 1976, to September 30, 1976.

AUTHORIZATIONS REQUIRING SPECIAL TRANSITION PERIOD AUTHORIZING LEGISLATION

16 U.S.C. 470c(b).
16 U.S.C. 669b, c, d, g-l.
16 U.S.C. 715k, s.
16 U.S.C. 718-718b, b-1.
16 U.S.C. 777b, c, i, and k.
16 U.S.C. 1380, 1384.
43 U.S.C. 315i, j.

Mr. GLENN subsequently said:

Mr. President, I ask unanimous consent that the bill introduced earlier today by Senator JACKSON (S. 1398) be referred to the Committee on Interior and Insular Affairs and, if and when reported by that committee, then to the Committee on Appropriations.

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

By Mr. DOMENICI (for himself, Mr. EASTLAND, Mr. ALLEN, Mr. BEALL, Mr. BUCKLEY, Mr. FANNIN, Mr. GARN, Mr. GOLDWATER, Mr. HELMS, Mr. MCCLURE, Mr. STEVENS, Mr. STONE, Mr. THURMOND, and Mr. CURTIS):

S.J. Res. 69. A joint resolution relating to obtaining a full and accurate accounting for members of the U.S. Armed Forces missing-in-action in Southeast Asia and U.S. contribution to the U.N. Referred to the Committee on Foreign Relations.

Mr. DOMENICI. Mr. President, I rise today to speak on a subject that I had hoped would no longer be an issue. I am referring to the plight of American POW/MIA's in Southeast Asia and their families. For years this has been one of the most deplorable situations in our Nation's history.

Contrary to the Geneva Convention of 1949 Relative to the Treatment of Prisoners of War, the Democratic Republic of North Vietnam has utterly refused to cooperate in this matter. This lack of cooperation also violates the Paris Peace Accords signed on January 27, 1973.

Legislation has been introduced in this session by Senators HOLLINGS, THURMOND, SPARKMAN, DOLE, and others seeking to find a solution to this dilemma. I have cosponsored these bills in hopes that this wretched situation might in some manner be improved. I believe that we have another source of relief to which we can turn. Mr. President, we have an international body that could and should help alleviate this situation.

The United Nations was founded in the hopes that it could become a world peacemaker. By its charter the United Nations is obligated to promote universal respect for and observance of fundamental human rights. Yet, I have seen no willingness by the United Nations to undertaken to obtain a full and accurate accounting of American POW/MIA's in Southeast Asia. In fact, only last week Secretary General Waldheim refused to involve the United Nations in the "very controversial political problem," of evacuating refugees—another extremely stressing human problem.

If the United Nations cannot even perform this basic humanitarian function, I do not believe that it is an agency worthy of the Nation's continued disproportionate financial support and the substantial burden that support places on citizens of this Nation. My legislation would not withdraw the United States from membership, but rather would reduce our payments to a fair share of the financial burden of the United Nations if the United Nations cannot or will not produce an accounting of Americans still unaccounted for in Southeast Asia.

I pledged my support to the families and loved ones of those Americans still unaccounted for in my campaign in 1972. It is now 1975 and yet over 2,400 Americans remain unaccounted for in Southeast Asia. The Department of Defense lists nearly 1,000 individuals as still missing in action. This deplorable situation must be resolved so that these families can go on with their lives. This war has already been far too costly without further prolonging, grief and sorrow for those here in the United States still waiting for some believable word on their loved ones fate.

Only 2 weeks ago we were shocked to learn that North Vietnam now admits, after years of denial, that more information is available on American MIA's. It is conceivable, Mr. President, that if they have not told the truth about the availability of information for accounting purposes, they may also have been misleading us about whether any of the unaccounted for, confirmed POW's are still alive.

I am convinced that the United Nations, as a world forum for the protection of fundamental human rights should help to achieve this accounting. I fervently hope it will. This joint resolution resolves that the President shall direct the U.S. Ambassador to the United Nations to request that the United Nations take all necessary and appropriate steps to obtain an accounting of members of the U.S. Armed Forces in Southeast Asia and to call on North Vietnam to comply with the provisions of the Paris Agreement.

The resolution would further provide that, if within 6 months the President does not certify that the United Nations has taken action which has resulted in an accounting of Americans still missing, the U.S. contribution to the United Nations be reduced from 25 per centum to 10 per centum.

Mr. President, I have asked the Congressional Research Service of the Library of Congress to do a background study of the POW/MIA issue. Mr. Richard F. Grimmett, analyst in National Defense, has prepared an excellent study of the entire issue and I ask unanimous consent that it be printed in the RECORD.

I also ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the study and joint resolution were ordered to be printed in the RECORD, as follows:

THE POW-MIA ISSUE

The procedures governing the accounting for servicemen missing in action in Southeast Asia were established by the Paris Peace Accords signed on January 27, 1973. Article 8(b) provides that:

"The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about those still considered missing in action."

A Protocol to the Paris Peace Accords titled "Concerning the Return of Captured Military Personnel and Foreign Civilians and Captured and Detained Vietnamese Civilian Personnel" also provides in Article 10(a) ("With Regard to Dead and Missing Persons") that:

"The Four-Party Joint Military Commission shall ensure joint action by the parties in implementing Article 8(b) of the Agreement. When the Four-Party Joint Military Commission has ended its activities, a Four-Party Joint Military Team shall be maintained to carry on this task." Under Article 17 of the Paris Peace Accords all disagreements stemming from the above activities are to be referred to the International Commission on Control and Supervision.

Another group which plays a key role in the resolution of the status of missing servicemen is the United States Joint Casualty Resolution Center which is located at Nakhon Phanom, Thailand. The personnel of the JCRC locate and investigate grave and crash sites throughout Southeast Asia under the guidance of the Four-Party Joint Military Commission. The JCRC also maintains a central identification laboratory staffed by a team of experts to aid in determining the identities of bodies recovered from crash and grave sites.

For this system, established to account for the missing personnel, to be effective it is essential that it be permitted to operate to the fullest extent. Search teams must be reasonably free to examine crash and grave sites throughout Southeast Asia. This requires the active cooperation of the North Vietnamese and their allies, in view of the fact that ninety-five percent of the crash and combat sites we wish to examine are under Communist or contested control. The lack of cooperation by the North Vietnamese in this regard sparked a diplomatic note of protest by the United States on July 29, 1973. This note, forwarded to Hanoi, pointedly reminded the North Vietnamese of their obligations under Article 8(b) of the Paris Peace Accords, and that they had refused to comply with their clear obligations under that agreement. No direct response to the note was immediately given. However, the North Vietnamese and the Provisional Revolutionary Government (Viet Cong) repeatedly stressed in meetings of the Four-Power Joint Military Team in September 1973 that no information would be provided on the missing in action and no remains returned until all other provisions of the Paris Peace Accords had been implemented. This condition was rejected by the United States, in a statement made on September 29, 1973 by the Chief of the U.S. Delegation to the Four-Party Joint Military Team, as being totally contrary to the express provisions of the Paris Peace Accords.

Over a year after the signing of the Paris Peace Accords, the North Vietnamese did return the bodies of 23 American servicemen whom they had identified as having died in captivity in North Vietnam. The transfer of

these remains took place on March 6, and March 13, 1974. To date this action marks the limit of North Vietnamese cooperation on the missing in action question since the last American prisoner was released on April 1, 1973.

In Laos and Cambodia, the question of determining the status of American missing personnel has been complicated by political and military circumstances. On February 21, 1973, The Agreement on the Restoration of Peace and Reconciliation in Laos was signed by the Laotian government and the Lao Patriotic Front (the Pathet Lao). Article 5 of that agreement called for both Laotian parties to "return to each other all persons regardless of nationality that were captured during the war, including those imprisoned for cooperating with the other side." This return of prisoners was to take place "within 60 days" following the establishment of a Laotian Provisional Government and Joint National Political Council. Article 5 further provided that following the return of those who had been captured, each side had "the duty to gather information on those missing during the war and report the information to the other side."

When the protocol implementing the February 21 agreement was agreed to and signed on September 14, 1973 by the two Laotian parties, other requirements regarding prisoners of war and missing personnel were stipulated. Article 18(a) of the Laotian protocol provides for the "return of all persons regardless of nationality who were captured and imprisoned for cooperating with the other side during the war," such return to be "completed at the same time as the withdrawal of foreign troops and military personnel." (Article 18(c), 18(d) and 18(e) also provide that:

"(C) Within 15 to 30 days, counting from the date of signing of this Protocol, each side will report the number of those captured and imprisoned to the Joint Central Commission to Implement the Agreement, indicating nationality and whether military or civilian, together with a list of names of those who died in captivity.

(D) After the return of the prisoners is completed, each side must report as quickly as possible to the JCCIA information it is able to obtain about persons missing during the war regardless of nationality.

(E) The return of those captured and imprisoned during the war and the gathering of information that each will submit about persons missing during the war is the responsibility of the JCCIA. When both sides in the JCCIA believe it necessary, they may request assistance from the International Control Commission."

The United States, it must be noted, was not a signatory to the Laotian protocol and as a result we must work through the Laotian government to obtain information concerning our missing personnel. Furthermore, no provision was contained in the Laotian protocol that established the right of the U.S. Joint Casualty Resolution Center to visit crash and grave sites in Laos. The Communist authorities in Laos, in this context, have repeatedly refused to comply with our requests to search for remains of missing American personnel in the country. Inasmuch as the great majority of potential crash and graves sites in Laos are located in areas under Communist control, the resolution of the status of a number of American servicemen believed to have been lost in combat there has been held up. As far as the implementation of the Laotian protocol in general is concerned, the Pathet Lao have yet to provide the American government with information concerning Americans still unaccounted for in Laos.

In the case of Cambodia, the United States Government continues to work through our representatives there. We have received little if any information concerning personnel missing in that nation. No negotiations are currently under way between the two sides in Cambodia on the issue. Efforts have been made through the Four-Party Joint Military Team to obtain information from the Communists on our missing men but the other side has not been responsive.

The U.S. Government holds that because of the failure of the North Vietnamese and her allies in South East Asia to comply with the provisions of the Paris Peace Accords and other pertinent agreements, the United States has been unable to conduct the searches and investigations necessary to resolve immediately a significant number of cases regarding missing American personnel.[1]

The Department of Defense has continued to make status determinations regarding those personnel listed as missing in action, and where it has seen fit to act has changed the categorization of individuals from missing to dead. Such changes in category are "decisions of the Secretary of the respective Military Department as a result of Service Department board recommendations which are based upon the totality of information available to include information from survivors, returnee debriefings, intelligence and other sources." The statutory authority for Secretaries of the Military Departments to proceed in this manner is found in Sections 551 through 558, Title 37 United States Code.

Due to the fact that a number of relatives of those men listed as missing in action have charged that the Department of Defense has been too eager to reclassify MIA's as dead, as well as their belief that American efforts to discover the status of the missing or recover the remains of those believed dead have been inadequate, legal action on the issue seemed inevitable. Litigation took shape in the case of *McDonald v. McLucas* 371 F. Supp. 831 (1974). On February 13, 1974, acting in judgment of a suit brought by a group of MIA relatives against the Secretary of the Air Force, a U.S. District Court ruled that an MIA's next of kin currently receiving governmental financial benefits must be afforded a review of his status on reasonable notice and be given reasonable access to the information upon which a reviewing board would make its determination as to whether or not an MIA should be declared dead. Since then the Defense Department has reportedly tended to reclassify MIA's as dead only if the primary next of kin has asked for a reclassification review. Of course is those cases where the Department of Defense believes it has strong reason to believe that a missing individual is dead, based on the preponderance of the available evidence, it has exercised its legal authority to reclassify such persons as dead.

The MIA relatives who brought suit in the *McDonald* case, however, wished to obtain stricter limitations on the Government's power to declare an MIA dead than those laid down by the District Court and appealed the case to the U.S. Supreme Court. The Supreme Court affirmed the decision of the District Court on November 12, 1974 (43 LW3279). It should be noted that although the decision in *McDonald* v. *McLucas* does not require the Secretaries of the Military Departments to offer the rights outlined in the decree of the court to primary next of kin who are not currently receiving government financial benefits, as a matter of practice the Secretaries are reportedly offering those rights to such individuals.

It should be useful to examine what procedures exist in the Department of Defense at the present time to deal with the question of status determinations of missing personnel. In making status determinations, two options exist besides retaining a given individual in a missing status. In those instances when information is obtained which conclusively establishes that the individual is dead, a report of death is issued. When circumstances are such that a missing individual cannot reasonably be presumed to be living, a finding of death is made—thus the origin of the phrase "presumptive death." The law (Sections 551–558, Title 37 U.S.C.) requires that the Secretaries of the Military Departments make a full review of each missing case on an individual basis no later than a year after the individual is declared missing. After the review of all available information, a decision is made to declare the individual deceased or to continue him in a missing status. Further reviews are made as circumstances warrant. As of February 1, 1975, the Department of Defense listed 922 individuals in missing status. Since January 27, 1973, DoD has made 447 changes in status from missing to dead.

Due to concern over the unwillingness of the North Vietnamese to live up to their obligations under the Paris Peace Accords, the U.S. Congress included section 403 in the Trade Act of 1974 (PL 93–618). This section gives the President of the United States discretionary authority to deny trade advantages to any country (not presently receiving most-favored nation treatment) that is "not cooperating with the United States—(1) to achieve a complete accounting of all United States military and civilian personnel who are missing in action in Southeast Asia, (2) to repatriate such personnel who are alive, and (3) to return the remains of such personnel who are dead to the United States." This section in the Trade Act of 1974 was clearly aimed at the Communist bloc countries who were interested in increased trade with the U.S. in the hope that it would motivate them to place pressure on Hanoi to comply with the provisions of Article 8(b) of the Paris Peace Accords. To date its effect in bringing about the changes in North Vietnamese policy that were hoped for has not been appreciable.

The interest of the 94th Congress in the POW/MIA issue remains visible, however, as twenty-one bills or resolutions dealing with the subject have been introduced in the Senate and House as of January 30, 1975. These bills and resolutions and their sponsors are as follows:

H. Con. Res. 54 (Gonzalez), H. Con. Res. 80 (Teague), H. Con. Res. 81 (Gilman), H. Res. 122 (Rhodes), H.J. Res. 142 (Edwards, Ala.), H.R. 174 (Abzug), H.R. 217 (Bingham), H.R. 456 (Flynt), H.R. 646 (Murphy, N.Y.), H.R. 1017 (Shriver), H.R. 1092 (Teague), H.R. 1631 (Wilson), H.R. 1638 (Wilson), H.R. 1716 (Mink), H.R. 2136 (Edwards, Ala), S. Con. Res. 5 (Dole), S. Res. 48 (Sparkman), S. 427 (Dole), S. 474 (Hollings). The focus of the majority of these pieces of legislation has been either the expression of continued support for American MIA's coupled with calls for the U.S. Government to continue to take appropriate measures to make Hanoi fulfill its legal obligations under the Paris Peace Accords—or attempts to limit the Department of Defense's freedom to reclassify individuals from missing to deceased status. Other bills seek to provide a variety of benefits to POW and/or MIA personnel.

The United States Government for its part continues to pursue diplomatic avenues available to obtain the requisite permission necessary to enable its search teams to explore areas in Southeast Asia where crash or grave sites are believed to exist. In addition, continued efforts are being made to obtain more definitive status lists from the Communists regarding American personnel whom we still classify as missing. These efforts, to the present, have proven to be fruitless. However, intensive searches in areas not under Communist control have provided important new information on some men who had been listed as missing,[2] enabling a resolution of their ultimate status. Yet, beyond the use of diplomatic channels to obtain access to Communist-controlled areas for search teams and to

Footnotes at end of article.

gain further information on MIA's, the United States Government has taken little reported action.

Given this situation the question arises what should be done to resolve this issue? The proponents of the current government approach to it point out that changes in status from missing to dead are made on the basis of individual reviews of all available evidence. These actions are not precipitate; they are carefully weighted before taken. Further, it is noted that even if the North Vietnamese were cooperative and permitted intensive searches of areas under their control, little or no new information about the status of a number of the missing would be obtained for a variety of reasons. This would be particularly true in cases of aircraft crashes in remote, mountainous regions or in rivers and harbors or in the ocean. It would also be true in cases where an aircraft disintegrated in flight or upon impact with the ground. In view of these possibilities the Department of Defense has not tied status changes unalterably to the inspection of crash sites or to the recovery of remains of persons listed as missing. Yet even if a person's status is changed from missing to dead by the military services, regardless of the circumstances or the time when such a change was made, the government does not cease its efforts to account for him. For these reasons the proponents of current government MIA policy believe that the present law on the subject should be maintained, as it provides the service secretaries with the flexibility they need to address the varied circumstances relating to missing personnel in wartime as well as peacetime.[5]

On the other hand, the critics of present MIA policy believe that there should be a termination of status changes of missing personnel to dead, as there appears to be little new information coming to light to justify such changes. Such critics are not unalterably opposed to status changes per se, but do believe that until the completion of a thorough search of Communist-controlled areas in Southeast Asia, and a comprehensive accounting for the missing is thus possible, such status changes are wholly unwarranted. These individuals also point out that there is evidence on the record to suggest that a number of missing servicemen may still be alive. Some were photographed in captivity. In other cases the enemy issued propaganda releases and photos of official armed services ID cards of various Americans, stating that they had been taken prisoner. After the Paris Peace Accords were signed, many of the names of the same men alluded to above were not on the official lists released by North Vietnam. Hanoi presumably knows whether these individuals are dead or alive. To date it has refused to clarify their status. The critics of present MIA policy strongly believe that North Vietnam must not be permitted to abrogate the clear stipulations of the Paris Peace Accords on this subject. They believe that we must become more forceful with the North Vietnamese and her allies on the diplomatic front to obtain the information we need to finally resolve the status of our missing men.[6]

FOOTNOTES

[1] Maury, John M. Memorandum for Senators and Members of the House of Representatives. Office of the Assistant Secretary of Defense, Legislative Affairs, October 7, 1974. pp. 1–3.

[2] U.S. Congress. House. Committee on Armed Services. Hearings on H.R. 16520, Legislation concerning the changing of status of military personnel mission in action. October 10, November 19, 1974 (93rd Cong., 2nd sess.) Washington, U.S. Govt. Print. Off., 1974. pp. 43–44. (Hereafter cited as House Armed Services Committee Hearings on MIA, October 10, November 19, 1974).

[3] House Armed Services Committee Hearings on MIA, October 10, November 19, 1974. pp. 42–48.

[4] House Armed Services Committee Hearings on MIA, October 10, November 19, 1974. pp. 18–34.

S.J. RES. 69

Relating to obtaining a full and accurate accounting for members of the United States armed forces missing-in-action in Southeast Asia and United States contribution to the U.N.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

Whereas all efforts to obtain a satisfactory accounting of Americans missing in Southeast Asia failed;

Whereas recent developments indicate that the North Vietnamese have information, previously undisclosed, regarding American MIAS;

Whereas the most basic and fundamental human rights require an accurate and verified accounting of all prisoners of war and persons missing in action;

Whereas the United Nations is required by its charter to promote universal respect for and observance of fundamental human rights;

Whereas the United Nations has recognized in Article 16 of its Universal Declaration of Human Rights that "the family is the natural and fundamental group unit of society and is entitled to protection by society and the State";

Whereas the United Nations has consistently recognized the Geneva Convention as an instrument designed to protect fundamental human rights and has recognized that the 1949 Geneva Convention relative to the Treatment of Prisoners of War not only sets forth specific requirements with respect to the treatment of prisoners of war, but codifies certain principles of human rights, including the requirements that detaining power—

1. Provide a complete accounting of all servicemen missing in action (article 5);

2. Furnish complete and accurate information on all prisoners and especially the circumstances surrounding the deaths of prisoners reported to have died in captivity (article 120);

Whereas article 8(b) of the Paris Agreement on Ending the War and Restoring Peace in Vietnam, provides as follows:

"The parties shall help each other to get information about those military personnel and foreign civilians of the parties missing in action, to determine the location and take care of the graves of the dead so as to facilitate the exhumation and repatriation of the remains, and to take any such other measures as may be required to get information about those still considered missing in action";

Whereas the United Nations has an obligation, especially to a member nation, to help inforce the Paris Agreement;

Whereas the failure of the United Nations to do so raises serious questions regarding the ability of the United Nations to provide member nations with protection of fundamental human rights; and

Whereas the United States has long supported the United Nations in the reasonable expectation that such protection would be afforded a member country: Now, therefore be it

Resolved, That the President shall direct the United States ambassador to the United Nations to insist that the United Nations take all necessary and appropriate steps to obtain an accounting of members of the United States armed forces missing in action in Southeast Asia and to call on North Vietnam to comply with the provisions of the Paris Agreement.

SEC. 2. (a) Unless the President certifies in writing to the Congress not more than six months after the date of enactment of this joint resolution that the United Nations has taken action which has resulted in an accounting of Americans still missing, the amendment made by subsection (b) of this section shall take effect.

(b) Public Law 92–544 (86 Stat. 1109, 110) is amended, in the paragraph under "INTERNATIONAL ORGANIZATIONS AND CONFERENCES" headed "CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS", by striking out "25 percentum" and inserting in lieu thereof "10 percentum".

ADDITIONAL COSPONSORS OF BILLS AND RESOLUTIONS

S. 67

At the request of Mr. KENNEDY, the Senator from Pennsylvania (Mr. SCHWEIKER) was added as a cosponsor of the bill (S. 67) to establish the Nantucket Sound Islands Trust in the Commonwealth of Massachusetts, and for other purposes.

S. 80

At the request of Mr. MATHIAS, the Senator from South Dakota (Mr. MCGOVERN) and the Senator from Massachusetts (Mr. BROOKE) were added as cosponsors of the bill (S. 80) to prevent the estate tax law from operating to encourage or to require the destruction of open lands and historic places, by amending the Internal Revenue Code of 1954 to provide that real property which is farmland, woodland, or open land and forms part of an estate may be valued, for estate tax purposes, at its value as farmland, woodland, or open land—rather than at its fair market value—and to provide that real property which is listed on the National Register of Historic Places may be valued, for estate tax purposes, at its value for its existing use, and to provide for the revocation of such lower valuation and recapture of unpaid taxes with interest in appropriate circumstances.

S. 93

At the request of Mr. MATHIAS, the Senator from Idaho (Mr. CHURCH), the Senator from Wyoming (Mr. MCGEE), the Senator from Illinois (Mr. STEVENSON), the Senator from Pennsylvania (Mr. HUGH SCOTT), the Senator from Missouri (Mr. SYMINGTON), and the Senator from South Dakota (Mr. MCGOVERN) were added as cosponsors of the bill (S. 93) to amend the Internal Revenue Code of 1954 to provide that a married individual who files a separate return shall be taxed on his or her earned income at the same rate as an unmarried individual.

S. 200

At the request of Mr. RIBICOFF, the Senator from Tennessee (Mr. BROCK) was added as a cosponsor of the bill (S. 200) to establish an independent consumer agency to protect and serve the interest of consumers, and for other purposes.

S. 334

At the request of Mr. HATHAWAY, the Senator from Wisconsin (Mr. PROXMIRE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from Indiana (Mr. BAYH), the Senator from Iowa (Mr. CLARK), the Senator from Wyoming (Mr. MCGEE), the Senator from New Jersey (Mr. CASE), the Sena-

tor from New York (Mr. JAVITS), the Senator from Montana (Mr. MANSFIELD), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Tennessee (Mr. BROCK), the Senator from South Carolina (Mr. THURMOND), the Senator from Pennsylvania (Mr. SCHWEIKER), the Senator from Minnesota (Mr. MONDALE), the Senator from Oregon (Mr. PACKWOOD), and the Senator from Washington (Mr. JACKSON) were added as cosponsors of the bill (S. 334) to prohibit sex discrimination by educational institutions whose primary purpose is the training of individuals for the military service of the United States.

S. 544

At the request of Mr. CLARK, the Senator from Washington (Mr. MAGNUSON) and the Senator from Alaska (Mr. GRAVEL) were added as cosponsors of the bill (S. 544) to authorize the Commissioner of Education to make grants for teacher training, pilot and demonstration projects, and comprehensive school programs, with respect to health education and health problems.

S. 858

At the request of Mr. HANSEN, the Senator from Tennessee (Mr. BROCK) was added as a cosponsor of the bill (S. 858) to amend title 38, United States Code, to authorize a program of assistance to States for the establishment, expansion, improvement, and maintenance of cemeteries for veterans.

S. 917

At the request of Mr. PEARSON, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of the bill (S. 917) authorizing the ICC to grant temporary operating authority to a carrier by railroad pending final determination by the Commission.

S. 969

At the request of Mr. HARTKE, the Senator from Alaska (Mr. GRAVEL), the Senator from Maine (Mr. HATHAWAY), and the Senator from Ohio (Mr. TAFT) were added as cosponsors of the bill (S. 969) to amend chapter 34 of title 38, United States Code, to extend the basic educational assistance eligibility for veterans under chapter 34 and for certain dependents under chapter 35 from 36 to 45 months.

S. 985

At the request of Mr. PELL, the Senator from Idaho (Mr. MCCLURE) was added as a cosponsor of the bill (S. 985) the Social Security Recipients Fairness Act.

S. 1183

At the request of Mr. HARTKE, the Senator from Alaska (Mr. GRAVEL) was added as a cosponsor of the bill (S. 1183) to amend title II of the Social Security Act so as to liberalize the conditions governing eligibility of blind persons to receive disability insurance benefits thereunder.

S. 1197

At the request of Mr. TUNNEY, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Maine (Mr. HATHAWAY) were added as cosponsors of the bill (S. 1197) to prohibit the licensing of certain activities regarding plutonium until expressly authorized by Congress, and to provide for a comprehensive study of plutonium recycling.

S. 1244

At the request of Mr. BENTSEN, the Senator from California (Mr. TUNNEY) and the Senator from Alaska (Mr. GRAVEL) were added as cosponsors of the bill (S. 1244) to reform trial standards for the crime of forcible rape.

S. 1279

At the request of Mr. HART, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of the bill (S. 1279) to extend the Voting Rights Act of 1965.

S. 1255

At the request of Mr. EAGLETON, the Senator from Missouri (Mr. SYMINGTON) was added as a cosponsor of the bill (S. 1255) the Revenue Sharing Amendments of 1975.

S. 1350

At the request of Mr. KENNEDY, the Senator from Alabama (Mr. SPARKMAN), the Senator from California (Mr. CRANSTON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Wyoming (Mr. MCGEE), the Senator from Washington (Mr. JACKSON), the Senator from Iowa (Mr. CLARK), the Senator from Michigan (Mr. PHILIP A. HART), the Senator from New Jersey (Mr. WILLIAMS), the Senator from Maryland (Mr. MATHIAS), and the Senator from Missouri (Mr. EAGLETON) were added as cosponsors of the bill (S. 1350) to provide additional humanitarian assistance authorizations for South Vietnam and Cambodia for fiscal year 1975.

S. 1359

At the request of Mr. MUSKIE, the Senator from Minnesota (Mr. MONDALE) was added as a cosponsor of the bill (S. 1359) to coordinate State and local government budget-related actions with Federal Government efforts to stimulate economic recovery by establishing a system of emergency support grants to State and local governments.

SENATE JOINT RESOLUTION 50

At the request of Mr. KENNEDY, the Senator from Maryland (Mr. BEALL) was added as a cosponsor of the resolution (S.J. Res. 50) to authorize and request the President to proclaim the second week in April of each year as "National Medical Laboratory Week."

SENATE RESOLUTION 99

At the request of Mr. TUNNEY, the Senator from Maryland (Mr. BEALL) and the Senator from Wyoming (Mr. MCGEE) were added as cosponsors of the resolution (S. Res. 99) to protect the tunas and other species in the eastern tropical Pacific.

SENATE CONCURRENT RESOLUTION 24

At the request of Mr. BAYH, the Senator from Alaska (Mr. GRAVEL) and the Senator from Pennsylvania (Mr. SCHWEIKER) were added as cosponsors of the concurrent resolution (S. Con. Res. 24) expressing opposition to the imposition of a coinsurance requirement of 10 percent of the costs imposed, above the initial deductible, for inpatient services with a $750 ceiling, and expressing opposition to increasing the amount of the deductible applicable to physician services.

SENATE RESOLUTION 125—SUBMISSION OF A RESOLUTION AUTHORIZING PRINTING OF REPORT ENTITLED "REPORT TO CONGRESS ON CONTROL OF SULFUR OXIDES"

(Referred to the Committee on Rules and Administration.)

Mr. RANDOLPH submitted the following resolution:

S. RES. 125

Resolved, That the report from the Administrator of the Environmental Protection Agency to the Congress of the United States (in compliance with section 119(k) of P.L. 93-319, Energy Supply and Environmental Coordination Act of 1974), entitled "Report to Congress on Control of Sulfur Oxides," be printed, with illustrations, as a Senate Document.

Sec. 2. There shall be printed one thousand (1,000) additional copies of such report for the use of the Committee on Public Works.

SENATE RESOLUTION 126—SUBMISSION OF A RESOLUTION ENDORSING THE CONTINUED PRESENCE OF THE UNITED NATIONS PEACEKEEPING FORCES IN THE MIDDLE EAST

(Referred to the Committee on Foreign Relations.)

Mr. BROCK (for himself, Mr. BAKER, Mr. FANNIN, Mr. MCGEE, Mr. MOSS, Mr. ROTH, Mr. SPARKMAN and Mr. THURMOND) submitted the following resolution:

S. RES. 126

Whereas peace in the Middle East is essential to world peace and to the peace and well-being of the people of the United States; and

Whereas past history has shown that peace has been most effectively maintained in the Middle East when United Nations peacekeeping forces were in place: Now, therefore, be it

Resolved, That the Senate of the United States endorses the maintenance of the United Nations peacekeeping forces in the Middle East, and specifically urges the continuation and extension of the United Nations Emergency Force (UNEF), on the Israeli-Egyptian border and the United Nations Disengagement Observer Forces (UNDOF), on the Israeli-Syrian borders.

Mr. BROCK. Mr. President, I am today submitting a sense of the Senate resolution calling for the continuation and extension of the two United Nations peacekeeping forces in the Middle East. Although this might appear to be a rather simple resolution, the consequences are grave for peace, not only in the Middle East, but in the world if these forces are lifted.

There are actually two forces involved in this U.N. peacekeeping force. They are: The United Nations Emergency Force, UNEF, on the Israel-Egyptian line, the mandate for which expires April 24, 1975. The United Nations Disengagement Observer Force, UNDOF, on the Israel-Syrian buffer zone, the mandate for which ends May 29, 1975.

Why are these forces so important? There are several reasons. First, the recent breakdown in the Secretary of State's step-by-step negotiations indi-

cates that any future diplomatic moves will be on an extended and undoubtedly more fragile and dangerous phase. No excuse must be provided for renewed hostilities or for the breaking off of negotiations and removal of the United Nations Forces could lead to these events. Second, the record of the United Nations peacekeeping forces has been good. In fact, as Betsy Wade wrote recently in a New York Times article.

It is the only peacekeeping employment agency with any world record at all.

Since World War II, the Middle East has been a troubled area with four major conflicts. The only lengthy time of peace was from 1956 until 1967 when United Nations peacekeeping forces were in place. And, subsequently, war broke out in 1967 only after the United Nations forces were removed.

Unfortunately, there were no United Nations forces in place in October 1973 to act as a deterrent, or at least as a weathervane, and we are still feeling the effects of that war. Third, another reason why this force is so necessary now is the recent assassination of King Faisal, considered one of our best allies in the Middle East. Although his successor also appears to be a good friend of the United States, there are radical elements in all countries that might want to take this opportunity to test and embarrass the new ruler by provoking a war. Fourth, areas and problems are never isolated and we should face the reality that with recent events in Southeast Asia, the last thing we need in these next few months is trouble in the Middle East. Fifth, many experts predict that if there is another war, the United States and the Soviet Union will be drawn into the affair. This should be prevented at all costs. There is an old Arabic saying which goes "If you get in between people having a fight, you must be prepared at least to have your shirt torn." I would rather that be a United Nations than a U.S. shirt.

Mr. President, a United Nations peacekeeping force will not, of course, guarantee peace. However, I think we can be guaranteed of greatly increased tension, if not war, if the U.N. forces were lifted for any reason.

At his recent news conference when asked about the role of the forces, Henry Kissinger said:

> We believe that the United Nations Emergency Force in Egypt and the United Nations Disengagement Observer Force in Syria were essential components of the disengagement agreements. We hope that the mandates of both of these will be renewed as a contribution to peace and stability in the Middle East and to permit the process of negotiation to go forward in a tranquil atmosphere.

Secretary General Waldheim has said the force is:

> Essential not only for the maintenance of the present quiet in the area, but also to assist any further efforts toward establishment of a just and durable peace in the Middle East.

And Ambassador Scali has said that:

> The United Nations peacekeeping provides a deterrent to renewed war after four tragic devastating conflicts. It offers time for passions to cool and for prudence and reason to prevail. In short, it offers to those who would grasp it an opportunity to move ahead toward peace.

I think that the Senate should be on record as supporting the "move ahead toward peace."

Mr. President, to add to these facts, in the past 2 days, some very disturbing news has been reported from the Middle East. It appears that some of the nations prefer only a 3-month extension of the peacekeeping forces. Another has even said it would desire to see the forces ended. I believe the seriousness of these positions are self-evident. It is vital to peace that these peacekeeping measures be continued.

AMENDMENTS SUBMITTED FOR PRINTING

NURSE TRAINING AND HEALTH REVENUE SHARING AND HEALTH SERVICES ACT OF 1975—S. 66

AMENDMENT NO. 333

(Ordered to be printed and to lie on the table.)

Mr. BELLMON submitted an amendment intended to be proposed by him to the bill (S. 66) to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training and to revise and extend programs of health revenue sharing and health services.

AMENDMENTS NO. 334 AND NO. 335

(Ordered to be printed and to lie on the table.)

Mr. MOSS submitted two amendments intended to be proposed by him to the bill (S. 66), supra.

AMENDMENT NO. 336

(Ordered to be printed and to lie on the table.)

Mr. BARTLETT (for himself, Mr. BUCKLEY, Mr. HELMS, and Mr. GARN) submitted an amendment intended to be proposed by them, jointly, to the bill (S. 66), supra.

STANDBY ENERGY AUTHORITIES ACT—S. 622

AMENDMENT NO. 337

(Ordered to be printed and to lie on the table.)

Mr. GLENN submitted an amendment intended to be proposed by him to the bill (S. 622) to provide standby authority to assure that the essential energy needs of the United States are met, to reduce reliance on oil imported from insecure sources at high prices, and to implement U.S. obligations under international agreements to deal with shortage conditions.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Jerry N. Jenson, of Illinois, to be Deputy Administrator of Drug Enforcement (new position).

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee, in writing, on or before Wednesday, April 16, 1975, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

NOTICE OF HEARINGS ON THE ESCALATING RATE OF FIREARMS CRIMES

Mr. BAYH. Mr. President, I wish to announce that the Subcommittee to Investigate Juvenile Delinguency, Committee on the Judiciary, will commence hearings to explore additional initiatives to more effectively curb the senseless slaughter of innocent human beings and the ever-escalating number of armed assaults and robberies involving firearms.

Sunday night, Attorney General Levi spoke to a distinguished group of law enforcement officials and outlined several proposals regarding efforts to deal with the undeniable link between the ever-increasing crime rate and the failure of State, local, and Federal efforts to adequately curb the availability of firearms for illegal purposes.

I am gratified that the Department of Justice has recognized the problem and has expressed an interest in developing Federal legislation to deal more effectively with crime involving firearms.

I salute Attorney General Levi for his willingness to work with the Congress and his expressed desire to strike an accommodation between the strong competing interests involved in these issues. I welcome this apparent change in administration policy.

This is not the first time, however, since 1968 that an Attorney General or his representative expressed support for congressional efforts to curb the availability of nonsporting crime guns. In fact, representatives of former Attorney General Mitchell in 1969 and 1971 in testimony before the Senate Subcommittee to Investigate Juvenile Delinquency, of which I am chairman, assured the Congress on both occasions that administration proposals would be forthcoming. These proposals, if indeed they ever existed, never saw the light of day. Thus, although I am encouraged by the current Attorney General's remarks, I would be less than candid if I did not admit that earlier rhetoric and indifference about these important issues only confirmed the former Attorney General's enjoiner that it was more important to watch what is done than what is said. You do not stop armed assaults and armed robberies with tough talk and hollow promises.

I share the Attorney General's concern that violent crime and the threat of violent crime has reached grave proportions. I am alarmed by the frightening picture of the rising tide of crime revealed by FBI statistics released last week. Serious crime in the United States rose an unprecedented 17 percent last year, the highest annual increase since the FBI began collecting crime data 45 years ago.

I am especially interested to learn more about the details of the Attorney General's proposals. For example, he indicates that the Department of Justice has been discussing the elimination of easily concealable handguns, often known as "Saturday Night Specials." I was surprised, however, that it was determined that no suitable definitions exist to implement this policy.

In 1972, the Senate passed a measure which I sponsored that contained carefully developed and proven criteria. This measure, S. 2507, closed a gaping loophole in the 1968 Federal Firearms law by applying to the domestic manufacture and domestic assemblage of imported parts the identical standards—"the sporting purposes test"—that had effectively prohibited the importation of crime handguns. The targets of such legislation are the so-called "Saturday Night Special" and other handguns which, by virtue of design, body construction, weight and other criteria are not of use to legitimate sportsmen. These easy to conceal, usually inexpensive weapons are the favorites of the murderers, the armed robbers and the gun wielding assailants who terrorize our communities. Let there be no mistake about it; we are talking about tens of thousands of murders and hundreds of thousands of assaults and robberies.

Additionally, I am especially interested in the Attorney General's sweeping proposal to ban the possession—except in the home or place of business—the transfer and sale of handguns into certain standard metropolitan statistical areas. The application of such restrictions would be triggered by a yet to be defined formula, including factors such as whether the local crime rate is significantly higher than the national average.

The possible application of mandatory civil and criminal penalties for persons who violate the Federal firearms statutes mentioned by Mr. Levi or to those who commit offenses using or while carrying a firearm is likewise of special interest to me. On April 3, 1973, the Senate, by a vote of 81–12, passed an amendment that Senator HERMAN TALMADGE and I introduced to help make our streets safer. The measure imposed, in addition to the penalties already provided by law, a minimum sentence of 5 to 15 years for those who use firearms to commit felonies or who unlawfully carry firearms while committing a felony which threatens life or property. For a second offense a 10-to-30-year sentence was required. Unfortunately, this measure was not considered by the House of Representatives during the last Congress.

These and other relevant issues including the growing problem of illicit traffic in firearms or gun-running; recent proposals regarding penalties for the possession of unregistered firearms, such as the new Massachusetts statute; or gun amnesty programs like the one recently announced for the District of Columbia; and proposals like Baltimore's to purchase crime guns will be the subject of a series of hearings which will be conducted by the subcommittee.

The first hearing in this series is scheduled to be held on Wednesday, April 23, 1975, at 10 a.m., in room 2228 Dirksen Office Building. On Monday, I invited Attorney General Levi, Treasury Secretary Simon and others with special interest and expertise in these matters to present testimony to the subcommittee.

I am most appreciative of the Attorney General's concern about these important issues, and look forward to him joining with us in the development of new initiatives to stem the violence in our cities not by restricting the right of honest sportsmen to possess legitimate sporting weapons, but by seeking to keep weapons which are unsuitable for hunting or sport from criminals who use them to hunt and kill people.

Anyone interested in the subcommittee investigation or desiring to submit a statement for the record should contact John M. Rector, Staff Director and Chief Counsel of the subcommittee U.S. Senate, A504, Washington, D.C. 20510, telephone 202–224–2951.

NOTICE OF HEARINGS ON THE OLDER AMERICANS ACT

Mr. EAGLETON. Mr. President, the Subcommittee on Aging of the Labor and Public Welfare Committee will hold hearings at 10 a.m. on April 16, April 17, and April 23, in room 6226 Dirksen Senate Office Building, to hear the testimony of witnesses on legislation relating to the extension of programs authorized under the Older Americans Act of 1965. The House yesterday passed its bill on this subject, H.R. 3922, and it is our intention to move expeditiously to complete Senate action on this legislation since a number of these programs—which have proved to be of inestimable value to older Americans—expire June 30, 1975.

The following is a list of witnesses the subcommittee expects to hear on these days. We are awaiting notification from several of the groups who will be represented at these hearings concerning the names of the individuals who will testify on their behalf. In those cases, only the names of the association or group is given. ask unamious consent that the witness list be printed in the RECORD.

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

WITNESS LIST

Wednesday, April 16, 1975:

1. Hon. Stanley B. Thomas, Jr., Assistant Secretary for Human Development, Department of Health, Education, and Welfare.

Hon. Arthur S. Flemming, Commissioner, Administration on Aging.

2. Representative of American Association of Retired Persons/National Retired Teachers Association.

3. Mr. William R. Hutton, Executive Director, National Council of Senior Citizens.

4. National Association of State Units on Aging, Louise Gerrard, Ph. D. (West Virginia), Eleanor Slater (Rhode Island).

5. Representative of the National Caucus of Black Aged, Inc.

6. Representative of the National League of Cities/Conference of Mayors and Urban Elderly Coalition.

Thursday, April 17, 1975:

1. Jack Ossofsky, Executive Director, National Council on Aging.

2. Paul Nathanson, Executive Director, National Senior Citizens Law Center.

3. Robert E. Gonia, Chairman, Steering Committee, National Association of Area Agencies on Aging and Area Agency Director, Huntsville, Alabama.

4. Representatives of the Association of Gerontological Institutes in Higher Education.

5. Edwin Kaskowitz, Executive Director, Gerontological Society.

6. Mrs. Janet Sainer, Director, Programs for the Aging, Community Service Society, New York.

Wednesday, April 23, 1975:

1. Hon. Bertha S. Adkins, Chairman, Federal Council on the Aging.

2. Panel of witnesses on physical fitness and the elderly, led by C. Carson Conrad, Executive Director, President's Council on Physical Fitness and Sports.

3. Representatives from South Dakota Sioux.

NOTICE OF HEARINGS ON COST ACCOUNTING STANDARD 409—DEPRECIATION

Mr. CRANSTON. Mr. President, I wish to announce that the Subcommittee on Stabilization and Production of the Committee on Banking, Housing and Urban Affairs will hold hearings on Cost Accounting Standard 409 on Monday, April 14, at 2 p.m. in the Banking Committee hearing room, room 5302, Dirksen Senate Office Building. Hearings will be open to the public. Persons wishing to testify or submit statements should contact the committee offices.

NOTICE OF HEARINGS ON THE HATHAWAY NOMINATION

Mr. JACKSON. Mr. President, I wish to announce that the Committee on Interior and Insular Affairs has scheduled hearings for April 21 and 22 on the nomination of former Gov. Stanley K. Hathaway of Wyoming to be Secretary of the Interior.

Since this nomination was announced, I have received many letters and calls from Members of Congress, organizations and private citizens who are deeply concerned about Governor Hathaway's position on vital environmental issues. Questions have been raised about his qualifications for the important post of Secretary of the Interior.

The committee will explore these questions fully at the hearings later this month. Those who are concerned about this nomination will have ample opportunity to be heard. In the meantime, it would be unfair to Governor Hathaway and inappropriate for the committee to prejudge this nomination on the basis of rumors, hearsay, or press reports questioning his fitness for the position of Secretary of the Interior.

ANNOUNCEMENT OF PUBLIC HEARING

Mr. CHURCH. Mr. President, I wish to announce that the Subcommittee on Energy Research and Water Resources of the Senate Interior and Insular Affairs Committee will conduct a public hearing on S. 1152, a bill introduced by Senator MCCLURE and myself, to amend Public Law 93–206.

In 1973, the Congress enacted a bill to authorize the Secretary of the Interior

to enter into agreements with non-Federal agencies for the replacement of the American Falls Dam, Upper Snake River Project, Idaho. The existing dam, built as part of a reclamation project in 1927, is deteriorating as a result of a chemical reaction between the cement and the aggregate in the concrete. The Bureau of Reclamation concluded that the dam does not meet current safety standards, and severe restrictions have been imposed on the amount of water which can be stored in the reservoir. In fact, the reservoir is limited to 65 percent of its usable capacity and greater restrictions may be forthcoming. In dry years, the present restriction would cause serious irrigation water shortages. This possible condition would mean economic ruin for many of the farmers who depend on the water to irrigate their crops.

It is, therefore, imperative that the American Falls Dam be replaced at the earliest possible date. Passage of Public Law 93-206 was meant to assure this result. However, since passage of the authorizing legislation, the American Falls Reservoir District, which has been designated the non-Federal constructing agency to finance and replace the existing American Falls Dam, has been unable to move ahead on this project. The delay has been largely caused by administrative inaction. The time already lost has been costly, the estimated price of the replacement dam has risen dramatically in the past year. Further delays simply jeopardize the project. S. 1152 attempts to clarify the status of the participants in this project and successful passage would eliminate some of the roadblocks to the start of construction.

The hearing scheduled on S. 1152 will take place before the Subcommittee on Energy Research and Water Resources, which I chair, on April 24 at 2:30 p.m., in room 3302, Dirksen Senate Office Building, which is the Government Operations Committee hearing room. Administration witnesses will be present to respond to the administration's position on the bill. Other persons who wish to testify on the bill should get in touch with Ben Yamagata of the Interior Committee at (202) 224-9894.

NOTICE OF HEARINGS ON REORGANIZATION OF THE NINTH JUDICIAL CIRCUIT

Mr. BURDICK. Mr. President, I wish to announce that open public hearings have been scheduled before the Subcommittee on Improvements in Judicial Machinery on S. 729, a bill to improve judicial machinery by reorganizing the fifth and ninth judicial circuits, by creating additional judgeships in those circuits, and for other purposes.

These hearings will replace the hearings previously noticed for March 19 and 20 which were cancelled upon the withdrawal of the general leave for committee meetings as required by rule XXV.

The hearings will be held on May 20 and 21 in room 2228 of the Dirksen Senate Office Building, commencing at 10 a.m. each day.

The witnesses from the ninth circuit scheduled to testify on the prior dates will be notified. Additional persons who wish to testify or submit a statement for inclusion in the record should communicate as soon as possible with the Subcommittee on Improvements in Judicial Machinery, 6306 Dirksen Senate Office Building, 224-3618.

NOTICE OF HEARINGS ON THE IMPLEMENTATION AND FINDINGS OF THE JUVENILE JUSTICE AND DELINQUENCY PREVENTION ACT OF 1974—PUBLIC LAW 93-415

Mr. BAYH. Mr. President, I wish to announce that the Subcommittee To Investigate Juvenile Delinquency, Committee on the Judiciary will commence hearings regarding the implementation and findings of the Juvenile Justice and Delinquency Prevention Act of 1974—Public Law 93-415.

Last year the Congress overwhelmingly passed by a vote of 88 to 1 in the Senate and 329 to 20 in the House this act. This legislation, on which I have worked for the past 4 years as chairman of the subcommittee, represents a constructive and workable approach in a joint Federal, State, and local effort to control and reverse the alarming rise in juvenile crime.

The act is designed specifically to prevent young people from entering our failing juvenile justice system, and to assist communities in developing more sensible and economic approaches for youngsters already in the juvenile justice system. It creates an Office of Juvenile Justice and Delinquency Prevention in the Law Enforcement Assistance Administration of the Department of Justice to coordinate all Federal juvenile justice programs now scattered throughout the Federal Government. It establishes a National Advisory Committee on Juvenile Justice and Delinquency Prevention to advise LEAA on Federal juvenile delinquency programs. It also provides for block grants to State and local governments and grants to public and private agencies to develop juvenile justice programs with special emphasis on alternative treatment and prevention.

Earlier last week, the FBI released its annual report on trends in crime for 1974 and frankly those statistics present a frightening picture of the rising tide of criminal activity in America. Serious crime in the United States rose 17 percent last year, the highest annual increase since the FBI began collecting crime data. In fact, the increase for the final quarter of 1974 had reached 19 percent. The suburban increase for last year was 20 percent while crime in rural areas increased by 21 percent. In the smaller communities—under 10,000—crimes increased by 24 percent last year while robbery alone went up by 30 percent. In the city of Indianapolis in my own State over 10,000 homes and businesses were burglarized last year.

It is quite apparent that the increase in crime in America is largely a product of the rapidly escalating crime level among our young people. While youths between the ages of 10 and 17 make up 16 percent of our population they account for fully 45 percent of all persons arrested for serious crime. The total of 51 percent of those arrested for property crimes and 23 percent for violent crimes had not yet reached their 18th birthday. That part of our population under 22 years old account for 61 percent of the total criminal arrests in this country.

Obviously, we are confronting a very serious situation and I for one am becoming increasingly frustrated with the enormous gap between the rhetoric and the reality of this administration's concern over rising crime. We cannot begin to solve the problems of crime in our businesses, streets, and homes by gathering statistics and wringing our hands over the sad picture they present.

Unfortunately while the administration professes to be shocked and concerned over our skyrocketing crime rates, they have responded with indifference to congressional initatives in this area. Although the Juvenile Justice Act was signed into law last September, the President has not as yet bothered to appoint an Administrator to coordinate our efforts in this area, nor did he appoint the Advisory Board mandated by the act until almost 6 months after the effective date of the act. Moreover, although crime by young people costs Americans almost $12 billion annually the President has expressed unwavering opposition to the expenditure of any funds under this act to reduce that loss.

I believe it is time for this administration to get serious with the issue of crime in America and begin to cooperate with the Congress in our efforts to solve this problem.

The hearing is scheduled to be held on Tuesday, April 29, 1975, at 10 a.m., in room 318 Russell Office Building. Witnesses invited to testify include Attorney General Levi, Director Lynn of the Office of Management and Budget, and Comptroller General Staats of the General Acounting Office, as well as numerous other representatives of organizations concerned about the Federal juvenile delinquency effort.

Anyone interested in the subcommittee investigation or desiring to submit a statement for the record should contact John M. Rector, staff director and chief counsel of the subcommittee—U.S. Senate, A504, Washington, D.C. 20510—202-224-2951.

NOTICE OF HEARING ON SECONDARY AND TERTIARY RECOVERY OF OIL AND NATURAL GAS

Mr. CHURCH. Mr. President, as chairman of the Subcommittee on Energy Research and Water Resources of the Senate Committee on Interior and Insular Affairs, I take this opportunity to announce that the subcommittee will conduct a hearing on April 25, 1975, on secondary and tertiary recovery of oil and natural gas and on advanced oil and gas drilling technology. We anticipate receiving testimony from representatives of the Energy Research and Development Administration and from expert industry witnesses.

As we strive to define the technologies we need to overcome our present energy problems we have been reviewing plans

and programs aimed at short-term, mid-term, and long-term research programs. All are important, but prospects for bringing some near-term relief attract special attention.

One of the quickest approaches to bringing about meaningful, near-term increases in domestic energy production is to focus our attention on our already known oil and gas reserves. It is a well-known fact that primary production of the Nation's oil and gas wells extracts only a fraction of the oil and gas known to be present. The bulk of the resources remain in the ground because of the lack of economically viable technology to bring it to the surface. Evidence before the Energy Research Subcommittee indicates that some 290 billion barrels of residual oil, most of which are onshore, will remain in the ground after present conventional production operations are completed. In addition, there are approximately 600 trillion cubic feet of noncommercial natural gas in deep Rocky Mountain basins alone. These resources should be the target of an aggressive enhanced recovery program. I understand that of these amounts some 40 to 50 billion barrels of tertiary oil and some 300 trillion cubic feet of natural gas are recoverable by known, but unrefined, technology.

The oil and gas industries have conducted much research and experimentation in this area. The Government has undertaken cooperative programs with industry to help define and advance the new technology that is needed. What is called for now is a more effective Government/industry effort to refine and demonstrate the technology required to harness the oil and gas that has already been found but resists production.

The April 25 hearing should be of prime interest to all who want to pursue domestic projects that promise a reasonably prompt augmentation of our oil and gas supplies.

NOTICE OF HEARINGS ON ACT TO ESTABLISH A LAW ON THE SUBJECT OF BANKRUPTCIES

Mr. BURDICK. Mr. President, I wish to announce that open public hearings will continue for the Subcommittee on Improvements in Judicial Machinery on S. 235 and S. 236, two acts to revise the bankruptcy laws of the United States. Hearings will be held on the 16th and 17th of April 1975, in room 6202 of the Dirksen Senate Office Building, commencing at 10 a.m. each day.

The Commission on Bankruptcy Laws of the United States has recommended sweeping changes in the bankruptcy law. These recommendations are reflected in the provisions of S. 236. The National Conference of Bankruptcy Judges has also recommended substantial changes in the present bankruptcy law. These changes are reflected in the provisions of S. 235. At these hearings, we will hear from representatives of the National Foundation of Consumer Credit and representatives of various labor unions.

Those who wish to testify or submit a statement for inclusion in the record should communicate as soon as possible with the Subcommittee on Improvements in Judicial Machinery, 6306 Dirksen Senate Office Building, telephone 224-3618.

ADDITIONAL STATEMENTS

MILITARY AID TO SOUTH VIETNAM

Mr. BUCKLEY. Mr. President, the developments we are witnessing in Vietnam are of far greater importance to the United States and the world than the fate of 19 million people of South Vietnam whose freedom and perhaps very existence is now in the balance. There is no question that the military situation in South Vietnam is serious, but it should not be concluded that South Vietnam is now beyond saving.

The present circumstances are a direct consequence of the failure of the United States to meet its moral obligations to provide a one-to-one replacement of military equipment and ammunition for South Vietnam under the terms of the Paris Accords of 1973. Approximately $1.5 billion was required to meet this commitment, but the Congress appropriated less than half that amount, $700 million. As a result, 60 percent of the South Vietnam Air Force—helicopters and fixed-wing aircraft have been grounded this year prior to the current offensive because of inadequate supplies of spare parts and fuel.

In the Mekong Delta region for example, no helicopter flights at all have been possible except for medical evacuation purposes since January. Infantry men in this region have seen their "daily load" of hand grenades reduced from the normal 10 grenades to only 2. Artillery fire between South Vietnam has been reduced to one-fourth of the level which was available at the time the Paris Accords were signed, as a result of the lack of ammunition.

Under these circumstances of inadequate ammunition, fuel, and spare parts, a strategic withdrawal by the South Vietnamese was necessary. It is difficult for Americans to understand the problems of executing a withdrawal by territorial defense units whose families reside in the areas that they are defending, but this was precisely the problem that the South Vietnamese faced. The families of the Vietnam Army personnel and civil administrators blocked the highways, airports, and harbors, making withdrawal of equipment and Army personnel extremely difficult; and this proved contagious. Moreover, shortages of spare parts made it impossible to fly out over 200 aircraft based in Danang and Pleiku.

The panic of refugees was understandable for they witnessed the probable fate they would suffer under North Vietnam during the earlier evacuation of Pleiku and Kontun in early March. Over 200,000 refugees sought to escape from Pleiku and Kontun by convoying down Route 7B to the coastal city of Tuy Hoa. Of the 200,000 that started on the convoy, only 100,000 reached the coast, simply because these refugees were families of Army personnel, the refugee column was shelled by North Vietnamese artillery, and the panic-stricken refugees were cut down by machinegun and automatic rifle fire.

The South Vietnamese have shown extraordinary will over the years in stopping Communist advances. The government is beginning to regroup its forces. Two provinces in the central highlands have been retaken, and the coastal cities of Nha Trang and Cam Ranh are being held despite the fact that South Vietnam forces are outmanned 5 to 1 in this region; 18 light infantry battalions have reconstituted in the past week as have the Vietnam marines division. Despite having lost six advanced equipped divisions only two and a half divisions equivalent of troops were lost, the balance being available to reform to fight in defense of the country.

It would be a shocking betrayal for the United States to fail to provide adequate military equipment and supplies to enable the South Vietnamese to fight for their own survival. The South Vietnamese are not asking nor do they need U.S. troops. All they are asking for is for the United States to fulfill its pledge under the Paris Accords to provide for a replacement for expended military equipment and ammunition, so that they can have a fighting chance to preserve their independence. The decision the Congress makes will affect U.S. interests around the world.

In editorials from geographical diversive regions such as the respected periodicals, Far Eastern Economic Review and the London Daily Telegraph, the willingness of the Congress to meet its commitment in Vietnam is being used as the benchmark over American credibility. After all, if we are unwilling to supply bullets for the South Vietnamese, would Americans really die for London, Paris, or Tokyo?

The question comes down to this. Will the United States deny the South Vietnamese the ammunition and equipment to defend themselves? Will we deny them the chance to fight a regime from which millions in South Vietnam have fled?

This is the question that is being asked and in my view, the Congress must respond affirmatively.

THE MEANING OF THE INDOCHINA CRISIS

Mr. CHURCH. Mr. President, the debacle in Indochina is setting off a panic here in Washington. President Ford is making a bad situation worse by behaving as though the United States were somehow to blame for the impending collapse of the Lon Nol regime in Cambodia and the Thieu government in South Vietnam.

The United States is not to blame. Neither is the Ford administration nor the present Democratic Congress. We are seeing the end result of a long-mistaken policy in Southeast Asia. Our client governments are crumbling, not because we failed to give them enough aid, but because they failed to rally their own people—even their own troops—to their cause.

Chalmers M. Roberts, in a recent column which appeared in the Washington Post last Friday, sums up the history of our fateful mistake in Indochina. His column contains the kind of wisdom we need so badly—and never seem to find—among our political leaders.

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

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

[From the Washington Post, Apr. 4, 1975]

THE MEANING OF THE INDOCHINA CRISIS

(By Chalmers M. Roberts)

Cries of calamity and disaster are in the air. Panic in Vietnam is graphically shown nightly on television. The newspapers can hardly keep up with the cumulating evidence that Henry Kissinger's "decent interval" is coming to an end. Laos is forgotten while Cambodia shrinks to an enclave. The news magazines couple Indochina with Kissinger's failure in the Middle East, Turkey, Greece, Cyprus and Portugal to proclaim "a moment of danger" and "a world of woe."

Danger and woe are not new in this world or in American foreign policy. It has always been difficult in the crises of the moment to gain a long-term perspective on what they mean, how they fit in the larger picture. In the current situation we ought to separate Indochina from the other problems, for it has its own meaning and uniqueness.

It is worth remembering that it was President Wilson who stirred the idea of independence in Vietnam, the dominant part of what was French Indo-China, with his 14 Points during World War I. But when Ho Chi Minh went to Paris to ask their application, he could not get in the door. It was President Franklin Roosevelt who concluded that the French should be ousted after World War II, but he died before anything was done. President Truman let General de Gaulle regain the colony, in contravention of the promises of the Atlantic Charter. And so the revolutionaries took up arms and, with the victory of Dienbienphu in 1954, wrested half of Vietnam from the French.

President Eisenhower's Secretary of State, John Foster Dulles, fled the Geneva Conference that year lest he have to sign a paper conceding that victory. The best he could do was refuse to shake hands with China's Chou En-lai. At that, he was assaulted when he came home by the Republican right for following Democrat Dean Acheson in "selling out" to the Communists. His counter was to make South Vietnam "a bastion" of "freedom." And so the scene was set, two decades ago, for the inevitable American involvement that would cost so many lives and so much treasure.

Despite the rhetoric, Indochina has always been an adjunct of some other perceived problem: colonialism, Japanese aggression, Chinese penetration, the fate of France in Europe and "the spread of communism" by Moscow and Peking. The United States, or the American public, at times has been concerned with the peoples of Indochina as individuals, but that is not why we have been so deeply involved so long.

We now know that those who said Ho Chi Minh, if he had controlled all of Vietnam or even all of Indochina, would have been a sort of Asian Tito were basically right. But in the days of perceived "monolithic communism," our government, of both parties, would not accept even another Tito. In the end we withdrew to get our prisoners back, and we knew that the paper accord would provide only that "decent interval" for the three local governments to try to stand on their own feet. The end now in sight is the logical culmination of the long story; the only surprise is the speed of the finale.

We should not lump this Indochina outcome with such disparate issues as the Middle East, Greece, Turkey, Cyprus and Portugal. We should admit we have taken our lumps in Indochina and get on with the other problems, for they by no means have reached a point of no return.

Americans have always had a basic fault of generalization. Mr. Truman took one Greek crisis and turned it into the Truman Doctrine to cover the whole world. Now Defense Secretary James Schlesinger talks of moving from "the illusion of American omnipotence" to "a perception of American impotence," another vast oversimplification. In reality, the United States is struggling to find its role in the post-World War II world after its peak of projected power was reached the day John Kennedy was inaugurated in 1961. He began to retreat from "the illusion of American omnipotence" the day he gave the go signal for the Bay of Pigs which he had inherited from President Eisenhower.

There has been no straight line movement since then. Looked at overall, the trend has been to pull in our horns, to drop back to a more sensible posture. In the course of this effort we have accepted a parity with the Soviet Union and come to general terms at least with China. These were the essentials of the new posture. They still hold—and apparently firm. If so, the other problems, once Indochina is finished, can be treated in normal fashion.

The Middle East and the Greek-Turk quarrel, involving more than just Cyprus, are as old as history. Kissinger has failed in his most recent efforts to reconcile these two problems, but he and the United States are not precluded from trying again, as we will try. The change in Portugal reflects the end of the great colonial empires; we should be thankful that we are not struggling with Angola and Mozambique. Who can be sure how Portugal will develop, given the history of left-wing and Communist regimes in lands not contiguous to the Soviet Union and China?

The American problem is to avoid panic and doomsaying and to get on with the job of resolving those internal issues that impinge on our foreign relations: our energy shortfall, the international monetary and trading systems and the weaknesses in our own domestic economic, social, racial and political affairs. Strength at home means strength abroad, if used wisely and not profligately. This is the way to counter any "perception of American impotence."

This has never been a world in which all nations and all problems fit neatly into a scheme of things. It has been and remains a world in which a nation-state of power, self-confidence and self-discipline can make itself felt to its own, and the world's benefit.

THE DEATH OF A COUNTRY

Mr. GOLDWATER. Mr. President, I know all of us have experienced strong emotions as we have watched our TV sets and seen the panic which is making a shambles of South Vietnam. For whatever reasons, it is a stark tragedy. In effect, we are witnessing the death of a country. Mr. President, thousands of words have been written about this calamity, but I doubt if anyone has done it better than Homer Lane, an editorial spokesman for TV station KOOL in my hometown of Phoenix. I should like all the Members of Congress to read his words as they were presented to the Phoenix TV audience on April 3, and I ask unanimous consent that the editorial be printed in the RECORD.

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

THE VIETNAM WAR

As we watch the films from South Vietnam showing the panic of both soldier and civilian attempting to flee from advancing Communist troops, the tragedy taking place before our eyes is making lasting impressions.

And it is a tragedy. For whatever reason, inept political leadership, military incompetence, or lack of spare parts for equipment, we are witnessing the death of a country. We see thousands of people, civilians who took no part in the war between the two Vietnams, risking and often losing their lives, rather than stay in their homes and cities to live under Communist rule. News reports today tell of the thousands of teachers, religious workers, civil servants, and those who worked for and cooperated with American firms, the U.S. Military or U.S. Government . . . people who live in Saigon . . . that are making frantic preparations to leave their country by any means or face what they believe to be certain death at the hands of the conquering Communist forces.

The Vietnamese are the victims of a costly American experiment. We made a pledge to halt the advance of Communism everywhere it reared its ugly head in the world. It was a pledge we were not prepared or not willing to enforce. Many Americans felt we should have never entered into the conflict. Others felt that we should honor our pledge, go in and get it over with quickly by effectively using our overpowering military strength. Few thought that the war could be run from a swivel chair in Washington. Fifteen years and 150 billion dollars later, we are ourselves a divided people over the issue of Indo China and the subsidiary problems it presented.

We hope that we learned some lessons. We cannot police the entire world alone. However, the next time we make a promise or a threat, we must be ready, willing and able to carry it out with dispatch. Our own Country may not be able to bear the traumatic experiences of more Vietnams or Cambodias.

TIME TO REEVALUATE APOLLO-SOYUZ TEST MISSION

Mr. PROXMIRE. Mr. President, in view of the failure of another Soviet space mission last Saturday and the pending United States-U.S.S.R. Apollo-Soyuz joint project, I have asked the Central Intelligence Agency to make a safety assessment of Soviet manned space technology.

This study would be in the form of a briefing for the members of my Appropriations Subcommittee on HUD and independent agencies, which has responsibility for the NASA budget.

The inlaunch failure of another Soviet manned satellite last Saturday reinforces my deep concern that the upcoming joint Apollo-Soyuz experiment may be dangerous to American astronauts. NASA claims that the mission will be as safe as any in the Apollo programs. They have produced a mass of studies to back up this assessment. They have studied Soviet technology and how it will relate to the docking of the United States and Soviet spacecraft.

I do not fault NASA's preparation. But I disagree with their conclusions. The history of the Soviet-manned program shows an appalling lack of consistency. As soon as one severe problem is solved another occurs.

NASA says the Soviet failures, which have cost four lives, have been in the return phase of the mission and thus will

not affect the Apollo-Soyuz program. That would be accurate if every failure occurred at the same point and for the same reason. They did not.

It is just this fear of "what will go wrong next" that concerns me most. Therefore, I have asked the CIA to prepare an assessment of Soviet-manned space technology with regard to its safety record. I have asked that this report be made to my Appropriations Subcommittee by next month, well in advance of the July launching.

The Soviet Soyuz capsule which will be used in the Apollo-Soyuz mission is vastly inferior to U.S. technology. Its launch record indicates that the U.S.S.R. has experienced severe quality control problems.

Since April of 1967, the U.S.S.R. has conducted 18 manned Soyuz flights. Of these, two have been catastrophic failures with the loss of four lives. In addition, two other flights, Soyuz 10 and Soyuz 15 have had docking problems and cannot be considered successes. Most recently was the launch failure of what would have been Soyuz 18. Thus, five out of 18 Soyuz flights have been marred by some type of failure.

These failures have occurred at all stages of the mission, during launch, during rendevous and docking, and during reentry.

This is a 28-percent failure rate throughout the mission profile.

I am aware of other unmanned Soyuz capsule tests during the same period and the fact that the U.S.S.R. also uses the Soyuz capsule in the reconnaissance program. The number of failures in the manned program, however, requires a fresh look at the safety of sending U.S. astronauts into a mission which has such a poor track record.

MAURA O'SHAUGHNESSY

Mr. BROOKE. Mr. President, a beautiful young lady of 31 years died in a Boston hospital yesterday morning of cancer of the brain.

Her name was Maura. Maura O'Shaughnessy. Maura O'Shaughnessy Donovan, a name that most who hear or read these words will not recognize. But to those of us who were privileged to know her and to work with her and to the thousands of others whose lives were touched by her, Maura was hope, help, and heart. If she had been a nun, she could not have done God's work more effectively than she did as a caseworker in the U.S. Senate.

I said that she was beautiful, and she was in the very literal sense of that word, with Irish eyes and lovely countenance, which smiled more than a songwriter could have ever dreamed. But she also had an inner beauty, a laughter, kindness, caring, and love that no songwriter could adequately describe.

Mr. President, in all the eons and annals of this world no nation has been as rich and powerful as ours, and yet our medical science could not save Maura's life or the lives of ter. of millions who have suffered and died from the dread, omnipresent disease of cancer. And although we have done more than ever before, we must still do much more in using the great resources of our Nation to find a cure for cancer.

To Tom, Maura's devoted husband of 10 months, to her kind and courageous mother, to her loving brothers and family and scores of wonderful friends, my staff and I extend our deepest sympathy. We shall always remember with love, respect, and admiration, our Maura.

ENVIRONMENTAL PROGRESS IN WYOMING

Mr. McGEE. Mr. President, the environmental movement in this country has blossomed from a struggling idealistic infant into a mature, intelligent young adult. Now that its feet are on the ground and the word has been shouted around the world, we in Congress must pay attention.

I urge my colleagues to share with me an article that appeared in the High Country News, published in Lander, Wyo. Written skillfully by Wyoming environmental journalist John Soisson, the story of Bart Koehler, director of both the Wyoming Outdoor Council and Wyoming Citizens Lobby, portrays the valuable role of young and dedicated environmentalists.

Senators will learn that "the movement" in Wyoming is not a fringe element and that my State's strong environmental laws were bred, in part, by good citizens like Bart Koehler.

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

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

CITIZENS' LOBBY CRUSADERS SMILING—WYOMING PASSES SITING, LAND USE BILLS

(By John Soisson)

They called him a ragamuffin. A stitch in the border of the Radical Fringe. They knew him as a leader of what some called the Wyoming Children's Crusade.

What the legislators didn't know was that Bart Koehler and the other "Crusaders," although only in their twenties, spoke for a broadly-based group of voters throughout the state who could hardly be called "children." They soon learned.

"The constituents—that's where the real power is. The legislators won't change from what I say. The only power we have is the folks who put the legislators in office," Koehler said.

As director of the Wyoming Citizens' Lobby, Koehler headed a staff of young researchers that provided an alternative source of information to the legislators and a unique source of facts to thousands of those "folks." As executive director of the Wyoming Outdoor Council, he lobbyed for environmental bills that he described as "essential to the state's future."

"No one who left the lobby headquarters in Cheyenne after this session left without a smile," he said. "It was always said that Wyoming was a slow second, third, or fourth on environmental issues. That may not be true much longer. This session gave us an excellent land use planning act, a landowner consent requirement for strip mining, and a plant siting bill that's as good as most. The state could become a leader—it really can't afford to do anything else!"

He set his can of Coors on the round oak table in the house he called headquarters and scratched his unshaved cheek. The 40 days and 40 nights of struggle to keep several bills from going down three times had ended. Like a weary sailor safely in port, Koehler was looking out over a calming sea.

"Even though most of the legislators who ran in '74 ran on a 'motherhood, apple pie and trees' ticket, there was a lot of confusion about the substance of environmental protection. That made a lot of them uncomfortable—and when you're uncomfortable, you make a decision. A lot of them were open to learn, so, by and large, the decisions were good ones," said Koehler.

One of those decisions was to adopt a plant siting bill that establishes an independent, seven-person Siting Council in the governor's office that will review the construction permit applications of all energy conversion plants, uranium enrichment plants, and other industrial facilities that will cost in excess of $50 million.

If an industry can't show that its project will not cause severe impact, the council will conduct a 180-day study (with two 60-day extensions, if necessary), upon which it will base its approval or denial of the permit.

Once the study has been completed, the council is authorized to specify when construction of the project can begin—a flexible "lead-time" provision that can help a community ease some of the shock of impact.

"The bill will require public disclosure of a project," Koehler explained, "and, at last, the people of the state will have the opportunity to review what's going to happen to them."

The 43rd Legislature considered the long-term as well as the short. "The siting bill is an important 'stop sign,'" according to Koehler, "but the land use planning bill gives some direction to the future. It's the best citizen participation law in the state—the most democratic!"

That bill created the Office of Land Use Administration, which also was placed under the direct control of the governor. Under its provisions, each of Wyoming's 23 counties is required to prepare a local land use plan within the next four years. The counties will have technical, informational, and financial assistance available to them from the state office.

Public involvement is required through the entire planning process: hearings must be held in counties and cities prior to the adoption of local plans, prior to the adoption of state guidelines, before designation of areas of more than local concern, and before a final, statewide plan is enacted.

While the plant siting and land use planning bills were much discussed and anticipated in the months before the session, a package of amendments to Wyoming's 1973 Environmental Quality Act (EQA) brought the most surprises.

One of them was a provision which gives farmers and ranchers who have been in operation since 1970 the right to refuse to allow the coal beneath their land to be strip mined, even when that coal doesn't belong to them.

"As far as I know," Koehler said, "that makes Wyoming the first state with landowner consent, so we expect it to be challenged in court."

Another surprise was the serious challenge to the integrity of the EQA made by utility companies with power generating plants constructed or planned within the state.

"The Senate passed an amendment to the EQA that would have imposed a two-year moratorium on the SO2 regs, but the House turned that down. It was a strong vote for due process!" He smiled. His beer can was empty.

"We did well on the major issues," he said, "but we need to pick up on the other things—river protection, coal export. And we will. I don't think the people here will be overrun—they love their state too much!"

JUDICIAL SALARIES

Mr. PERCY. Mr. President, over the last few years I have endeavored to bring the issue of the urgent need for a Federal judicial salary increase to the attention of my colleagues. It has now been over 6 years since Federal judges received a salary increase, and the need is greater than ever.

An article in the November–December issue of the Chicago Bar Record of the Chicago Bar Association points out the facts which are central to this problem. It notes that in the last 6 years since the last salary increase,

The Consumer Price Index has risen approximately 45%; "General Schedule" Federal employees have received comparability pay increases averaging nearly 40%; annual salaries for state court judges throughout the United States have increased an average of 42%; attorneys' salaries, as surveyed for the Department of Labor, have risen 43.9%; and top officials in the private sector have received salary increases averaging almost 60%.

In addition, this article also makes an important comparison between the salaries of Illinois State and Federal judges. The annual salaries of Federal district and appellate judges are $40,000 and $42,500 respectively. However, on the Illinois State court, Supreme Court justices receive $50,000; appellate court justices, $45,000; circuit court judges, $42,500; and associate judges, $37,500.

Much of the prestige of our judicial system stems from the ability of the bench to attract lawyers of outstanding character and ability. It is a tribute to these outstanding men and women that they willingly suffer the loss in income which occurs when they leave private practice for the bench. And yet, how can we continue to expect these outstanding lawyers to willingly undergo this loss of income when now, due to congressional inaction, they have every reason to expect that, instead of receiving periodic increases in salary, their income will actually decrease because of inflation? In effect, this discriminates against those members of the Federal judiciary who do not have the financial resources to enable them to sustain their standard of living on a salary which is decreasing in real purchasing power.

Mr. President, the article from the Chicago Bar Record which I have quoted makes many important points about the need for a Federal judicial salary increase. I ask unanimous consent that it be printed in the RECORD.

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

[From Chicago Bar Record, Nov.-Dec., 1974]

ADEQUATE JUDICIAL COMPENSATION

(By Kevin M. Forde)

SUCCESS IN ILLINOIS

On January 7, 1975, Governor Dan Walker signed into law House Bill 2518, which grants Illinois judges a long overdue pay raise. Effective July 1, 1975, the new salary schedule for Illinois judges will be:

Supreme Court justices	$50,000
Appellate Court justices	45,000
Circuit Court judges	42,500
Associate judges	37,500

The CBA deserves a good deal of credit for obtaining the enactment of the judicial pay raise bill. This Association has been urging an increase in judicial salaries in Illinois since at least 1972. In that year the CBA, through its then President Philip Corboy, acting on a report of the Special Judicial Compensation Committee (chaired by Thomas F. Bridgman and consisting of Robert Stern and Robert Cummins) urged the increase in judicial salaries in Illinois and also recommended future adjustments in judicial salaries to reflect cost of living increases.

The special CBA committee then summarized its analysis in an 18-page report which was submitted to and approved by the Board of Managers. The report included statistics and comparisons of judicial salaries of Supreme Courts and General Trial Courts in 12 leading states (Connecticut, Alaska, Nevada, New York, California, Illinois, New Jersey, Massachusetts, Delaware, Maryland, Michigan and Hawaii) by per capita income from 1965–1972. This comparison showed that the Supreme Court of Illinois was lowest in the percentage of salary increases, and ranked sixth among the 12 states during this seven-year period. Judicial salaries in Illinois' General Trial Courts ranked seventh out of the same 12 states.

The report also noted that "as judicial salaries have failed to keep pace with annual increases in the cost-of-living, likewise those salaries have also failed to keep pace with comparable increases in salaries for other occupational categories in our economy."

Using as its source the U.S. Department *Monthly Labor Review* of the "Gross Average Weekly Earnings Statistics for Selected Occupational Groupings, 1967-August 1972," the Committee found that most workers in the construction, transportation and public utilities industries realized average salary increases of 35 per cent over the same five-year base period.

Regretfully, the salary increases were not adopted in 1972. The report was revived by Chairman Bridgman in 1974, however, and through the persistent urging of CBA President Jim Kissel and later by his successor Jim Connelly, the message of the CBA Committee Report finally got through to the lawmakers and the Governor. Perhaps some success of the bill should be attributed to the fact that it was coupled with the legislative pay raise.

The CBA should now turn its formidable support to increasing the compensation of the federal judiciary.

FEDERAL JUDICIAL SALARIES

In a recent year end review of federal judicial problems, Supreme Court Chief Justice Warren E. Burger appealed to Congress to raise the salaries of federal judges. Federal judges have not received a pay raise in six years. During this same period, regular federal employees received six increases amounting to more than 50% of their salaries.

Section 225 of the Postal Revenue and Federal Salary Act of 1967 (Salary Act) provides for the creation of a Commission on Executive, Legislative and Judicial Salaries to review and recommend increases in the rates of pay for high-level federal officials, including federal judges. In March of 1969, pursuant to the 1968 Commission's recommendations, the annual salaries for federal district and appellate judges were increased to $40,000 and $42,500, respectively.

Since March of 1969, the Consumer Price Index has increased approximately 45%; "General Schedule" federal employees have received comparability pay increases averaging nearly 40%; annual salaries for state court judges throughout the United States have increased on an average of 42%; attorneys' salaries, as surveyed by the U.S. Department of Labor have risen 43.9%; and top officials in the private sector have received salary increases averaging almost 60%.

During the same six year period, the salaries of federal judges and justices have not been increased by one cent. According to a study prepared by The Judicial Conference Committee On Judicial Compensation, these men and women have experienced a resultant loss in purchasing power since 1969 of 32%.

To suggest that such a salary freeze, during a period of record inflation, is unfair to the individuals affected belabors the obvious. Consider, however, the consequences of this inequity. During 1974, a record five federal judges resigned, four of whom did so in order to return to lucrative private practice. According to a recent article in *Judicature* Magazine) (November, 1974), "a too-cavalier Congressional attitude toward court needs also figured high on the list of judicial frustrations" (p. 161). And although elevation to the federal bench provides a measure of prestige and professional satisfaction which encourages accomplished members of the bar to accept appointment despite the financial sacrifice which often results, there comes a point at which prestige and satisfaction must yield to more practical considerations. Simply stated, the present salary levels, combined with Congress' apparent reluctance to provide scheduled periodic increases, will ultimately serve to discourage many qualified and desirable candidates from accepting appointment to the federal bench.

The Federal Salary Act was passed with the expectation that annual salaries of high-level federal officials, including judges, would be reviewed by the Commission every fourth year and adjusted upward in accordance with the Commission's recommendations. Under Section 225 of the Act, the mechanism for accomplishing this goal is quite simple. The President, after receiving the Commission's report, forwards his recommendations in the budget next transmitted to Congress. If neither the House nor the Senate vetoes these recommendations (by a majority vote of either house) they become effective the first pay period after the 30th day following their transmittal to Congress. Moreover, it is not necessary for Congress to either approve or veto the entire package of salary increase recommendations; i.e., it may veto, for example, recommended increases for executive positions while allowing increases for the judiciary.

Last year, the President sent his recommendations for salary increases to Congress pursuant to Section 25. Despite the fact that his recommendations represented a downward modification of the comparatively modest increases recommended by the Commission, Congress exercised its veto power and killed the raises. Whatever the motivation for doing so, the failure to provide an increase in compensation after a five year hiatus was a tragic mistake. Fortunately, it is one which can be remedied. Because the 1974 recommendations were vetoed, President Ford can again forward his recommendations for judicial salary increases to Congress based upon the Commission's latest report. Unless Congress vetoes such recommendations within 30 days, the salary increases submitted would become law.

As the nation's largest local Bar Association, we have a particular obligation to support a proposal to bring federal judicial salaries up to an equitable level. Because of the sensitivity of their positions, judges are all equipped to advance their own cause. The disparity between judicial salaries and those of comparably qualified members of the bar, combined with the tight restrictions properly imposed upon the judiciary regarding "outside" sources of income, compels that action be taken at the earliest possible date to insure that the long-overdue increase in federal judicial salaries also becomes a reality.

THE WAUKEGAN, ILL., NEWS-SUN REPORTS ON NURSING HOMES

Mr. PERCY. Mr. President, the quality of care in our country's nursing homes has been the subject of intensive investigation by Senator Moss, myself and other members of the Special Committee on Aging of the U.S. Senate supplemented by several excellent newspaper exposés in recent years. Few of these efforts have impressed me more than the series of articles written over the space of several months by Steve Rothman of The News-Sun of Waukegan, Ill.

Mr. Rothman's work focused on one of the most serious yet little-discussed problems facing the field of long term care, the transfer to nursing homes of residents of mental institutions. His articles raise important questions about such transfers as a matter of public policy as well as about the propriety of the process as it took place in Lake County, Illinois.

Mr. Rothman and The News-Sun are to be commended for the persistent, imaginative and constructive way in which this subject has been pursued. A problem area has been starkly illuminated. Governmental officials at all levels must now respond.

Mr. President, I ask unanimous consent that Steve Rothman's articles, together with an editorial from The News-Sun, be printed in the RECORD.

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

[From the Waukegan (Ill.) News-Sun, Oct. 10, 1974]

STATE TO INVESTIGATE DEATH OF TEEN IN NURSING HOME

(By Steve Rothman)

Illinois public health officials are joining the investigation into the August death of a mentally retarded youth in the Pavilion of Highland Park in Highwood.

Dr. Joyce Lashof, state health director, told The News-Sun she is particularly concerned whether "our people carried out their functions in the proper manner.

"We want to find whether those health officials charged with looking after the boy carried out their functions as set down by law and by department rule," said Dr. Lashof.

She said the results of that investigation would determine whether rules governing the handling of such deaths need changing. "We want to know whether our personnel were lax," she added.

Meanwhile, Lake County Coroner Oscar Lind said he had contacted relatives of the dead boy, Richard A. Hall, who had been a patient at the nursing home since Aug. 9, 1973.

Lind said the date for an inquest would be set next week "We have assured the family we will get to the bottom of the matter," said Lind, explaining he may seek new legislation requiring nursing home officials to report the death of any state patient to his office.

"I think this is important if we are to prevent this kind of incident from happening again," he said.

The boy's brother, William, Hall of 31 N. Wabash Ave., Glenwood, has alleged that nursing home personnel withheld the cause of death until after the funeral. He claims the doctor signing the death certificate listed the causes of death as heart failure and food poisoning.

Nursing home officials have refused to comment on these allegations.

Hall was one of 37 mentally retarded patients housed at the facility at the time of the incident.

The death was brought to public attention by the Lake County Health Department last week. In his report to the department's board of trustees, Eugene Theips, department director, said there was an indication of food poisoning, but insufficient data to make a final determination at this time.

[From the Waukegan (Ill.) News-Sun, Dec. 7, 1974]

STATE ENTERS FRAUD PROBE

(By Steve Rothman)

Illinois investigators Monday will begin proceedings to determine whether the licenses of a Deerfield psychologist and a Zion nursing home should be revoked.

Thomas F. Howard, chief enforcement officer of the Illinois Department of Education and Registration, said there is ample evidence to warrant a full hearing on whether the psychologist, Don W. McBride, and the Crown Manor Nursing Home were involved in fraudulent billing.

A recent News-Sun investigation revealed that a nursing home patient was billed for services she never received.

The Illinois agency not only has the duty of licensing medical practitioners along with 34 other code-regulated agencies, but has the power to strip them of their right to practice where there are sufficient grounds of wrongdoing.

"When we find sufficient evidence of unethical or illegal activity, we can hold formal revocation hearings," said Howard.

"We believe a statewide investigation is in order," said Charles S. Siragusa, head of the commission.

"We would hope that legislators from the Lake County area ask that such a resolution be passed," he added.

The Crown Manor Nursing Home case came to The News-Sun's attention through a Waukegan physician who found his patient had been billed for psychiatric services never requested and never provided.

His patient, Mrs. Maggie S. Ludlow, was billed for $200 in psychiatric services by McBride.

However, relatives of Mrs. Ludlow, who died April 17 at St. Therese Hospital, claimed they never authorized and psychiatric care and demanded that U.S. Social Security officials in the Waukegan office investigate the case.

"When we came to complain, we were told, 'Why should you care about who gets the money, it didn't come out of your pocket?'" said Mrs. Bernice McCutcheon, of 3308 Dewoody Road, Waukegan.

Mrs. McCutcheon and her sister, Mrs. Florence Spencer, of 2321 Greenwood Ave., Waukegan, have provided statements to investigators of the Continental Assurance Co., the federal government's Medicare carrier in this area, and to agents of the Social Security Administration's regional office in Chicago.

When contacted by The News-Sun regarding the case, officials said they were not concerned with putting doctors or nursing homes out of business for billing the federal government illegally for services.

Howard joined the Illinois agency in June. Since that time, he has been given a mandate to begin "any and all types of investigations into physician-involved frauds.

"We anticipate taking the licenses of 40 to 50 physicians during the next year," said Howard, explaining the Lake County case is "number one" on its list due to the amount of evidence and the list of witnesses willing to testify. "I see no trouble in getting the right result from such a hearing based on the information you have at hand," he said.

At the same time, The News-Sun has been joined by Lake County Coronor Oscar Lind and the Illinois Legislative Investigating Commission in probing several other nursing home cases.

ILIC officials said they could only "advise and counsel" in the Lake County cases, as it did not have a resolution from the General Assembly to look into the area.

They said it could take as long as four months to two years to prepare the case, adding that, in all likelihood, the complaining witnesses would be either dead or senile by the time the case came up for trial.

Officials readily admitted that few of the complaints brought to their attention ever wind up in court, and that 79 per cent of all complaints brought to their attention were "legitimate."

When McBride was originally contacted by The News-Sun, he denied receiving any money for seeing Mrs. Ludlow. He claimed that he never saw any of the patients professionally, claiming he was merely an adviser to the home's staff on how to make the patient's life better during their final days.

He claimed the home paid him a consulting fee and that he never received any money directly from the patients.

However, the nursing home denied McBride's allegations, claiming the psychologist said he would be paid by either the federal or state government for his services.

When CNA officials were contacted, they obtained the canceled check showing that McBride had in fact deposited the money in his own account.

[From the Waukegan (Ill.) News-Sun, Dec. 10, 1974]

RETARDED PATIENT DEATHS PROBED BY CORONER LIND

(By Steve Rothman)

Lake County Coroner Oscar Lind has seized the medical records of some of 12 mentally retarded patients who died of pneumonia in the All Seasons Nursing Home, 919 Washington Park, Waukegan.

All were transfers from the Dixon and Lincoln state schools for the retarded and died within the last year.

Working in cooperation with the Illinois Legislative Investigating Committee and The News-Sun, agents seized the records Monday for examination by Lind's office.

Until notified by The News-Sun, Lind's office was unaware of the nursing home deaths.

Commission agents learned of the deaths during an investigation of the Illinois Extended Care Center in Rockford.

Illinois Mental Health Department officials testified at a hearing that six patients at Dixon State School and six at Lincoln State School died in Waukegan of "pneumonia," caused, they said, by inadequate patient care.

All the deaths occurred during a period beginning Dec. 14, 1973, and ending Nov. 7 of this year. Death certificates showed the patients ranged in age from 19 to 87.

Medical experts interviewed by The News-Sun said patients who lack the ability to voluntarily change their positions while confined to bed will contract pneumonia because the body has no way of ridding itself of water gathering in the lungs.

Failure to move the patient, coupled with poor diet and lack of sufficient changes of bed-clothing to keep the patient dry, are additional factors.

The deaths were verified by Dixon and Lincoln School officials, who blame Region II of the Illinois Department of Mental Health's developmental disabilities department.

"We lost all control over these patients once they went into nursing homes," said Dave Edelson, Dixon administrator. "We had no way of knowing what was going on until we were informed of the deaths."

The Illinois General Assembly approved the plan to release those patients considered beyond rehabilitation to nursing homes.

The plan was approved over the objections of many mental health officials.

Commission investigators said testimony from Dixon and Lincoln School personnel described All Seasons as a "zoo" during the Rockford hearings. Despite this, no hear-

ings into the Waukegan deaths are scheduled.

"We do not have a legislative mandate to look into the Lake-McHenry County area," said a spokesman for Charles S. Siragusa, the commission's executive director. "All we can do is make this information available to the public."

Dr. Richard Kinney, administrator of Region II, told The News-Sun he had records showing All Seasons was visited by inspectors 58 times in the last 12 months.

But when asked why Dixon and Lincoln, which knew the background of the patients and their case histories, were not allowed to follow up on their own patients, Kinney said "no comment."

When questioned whether he thought the medical care provided was adequate, Kinney said "no comment."

When asked whether the training period for nursing personnel at such private facilities was adequate, Kinney said "no comment."

Commission officials said, "We know conditions were bad in Rockford, and we know they are bad elsewhere. We are convinced things are just as bad or worse in other parts of Illinois."

Commission investigators believe the deaths could have been prevented if Lincoln and Dixon had been allowed to follow up on their own patients. "When Dixon came to Rockford, it was able to straighten out the mess in that nursing home real fast," commission investigators said.

Earl Rosenbaum, All Seasons administrator, told The News-Sun during a recent interview the patients given the home were beyond his staff's capabilities. "I want it clear. We sent back those we couldn't handle on our own volition," he said. "No one made us do it."

Kinney told The News-Sun last week that he had records showing his people did all in their power to "straighten out All Season's problems" when told his department had been blamed for the deaths.

But when he was asked Monday for these reports, Kinney said he would have to discuss their release with his legal staff before they could be made public.

[From the Waukegan (Ill.) News-Sun, Dec. 11, 1974]

AUTOPSY RULES OUT FOOD POISONING

(By Steve Rothman)

The death of a mentally retarded patient in a Highwood nursing home was the result of pneumonia and malnutrition and not food poisoning as the death certificate indicated, The News-Sun has learned.

This was the preliminary finding of Dr. Robert Stein, the state's forensic pathologist, who performed an autopsy on Richard Hall, who died while a patient in the Pavilion of Highland Park, Highwood.

The 19-year-old was one of 18 who purportedly developed food poisoning symptoms, according to the Lake County Health Department.

The original death certificate, issued by Dr. Sam Kruger, a Highland Park physician responsible for medical services at the nursing home, showed Hall died of food poisoning and cardiac arrest.

"There is simply no evidence to support these findings," said Lake County Coroner Oscar Lind who launched an investigation in cooperation with The News-Sun after he first learned of the boy's death when he read about it in the newspapers.

"I have an agreement with all of the hospitals that they call me whenever a patient dies," he said. "When I think an autopsy is in order, I ask for it.

"Nursing homes in this community seem to feel they do not need to report all deaths to this office before releasing the body for burial," added Lind. "That is a practice I am going to stop, now."

Lind said he intends to hold a full inquiry into Hall's death to find out what kind of medical treatment was provided the youth. A nursing home employe told The News-Sun the boy had been critically ill for at least a month prior to his death.

The employe has agreed to testify at any hearings conducted by state or federal officials, but asked not to be identified for the time being.

The name of the employe has been turned over to Lind and state investigating units looking into nursing home violations.

Lind's office is cooperating with the Illinois Legislative Investigating Commission which does not have the authority to hold hearings in Lake and McHenry Counties unless asked to do so by the legislature.

The employe said Richard had been losing strength for more than a month before he died. And on the date of his death, nursing home medical personnel knew he was dying, but did nothing to get him to any other medical facility for assistance.

"There was a call put to the doctor about 9 a.m. on the morning Richard died," the employe said. "But no one made any attempt to give him any medical attention as far as I could see."

When the employe viewed Richard shortly before noon on the day he died, the boy had turned white and his lips were blue. "I was told Richard was dying," she said.

"But the food didn't cause Richard's death. They found no reason to believe there was any food poisoning."

The employe said bed-ridden mentally-retarded patients were not kept clean by nuring staff. "You would find bowel under their fingernails and on their hands," the employe charged.

In many cases, the patients were allowed to lie in wet diaper all day long.

Recreation was limited to putting the children into special designed jackets and tying them to wheelchairs, the employe said.

Except for a brief recreation program in the morning, nothing else was provided by the home, the employe said.

The employe said Pavilion officials and state mental health officials entered into a "collusive" inspection of the home last Thursday.

"All of the contraband materials which patients were not supposed to have, were put down into the room used for recerational purposes, the employe said.

When Dr. Richard Kinney, director of Region II Developmental Disabilities of the Illinois Department of Mental Health, was asked whether it was normal to notify nursing homes before making inspections, he said "no comment."

However, Illinois Legislative Investigating Commission investigators told The News-Sun it is common practice to tell all homes in advance when inspectors are due and the time they will arrive.

"The attitude of nursing homes toward mentally retarded patients is one of fear, repulsion, and lack of knowledge of how to adequately care for them," commission investigators maintained.

[From the Waukegan (Ill.) News-Sun, Dec. 12, 1974]

LIND NAMES NURSING HOME DEAD

(By Steve Rothman, Staff Writer)

An investigation of death certificates filed in Lake County has disclosed the names of six mentally retarded patients who died within the past year at All Seasons Nursing Home in Waukegan.

Working with The News-Sun, Lake County Coroner Oscar Lind sifted through more than 400 death certificates in the Lake County Clerk's office.

The six are among 12 profoundly retarded patients who died at All Seasons within the last year of pneumonia, according to testimony of Illinois Mental Health Department officials.

"We will obtain the name of all 12 patients before we are through," said Lind, who intends to conduct a special inquiry into the quality and quantity of medical assistance given retarded patients in Lake County nursing homes.

The names of the dead, all former patients at Lincoln or Dixon Schools for the mentally retarded, are:

Warren Williams, 26, who died on Sept. 22, 1974; Robert Horn, 26, who died on Dec. 13, 1973; Timothy Wendt, 32, who died on Jan. 11, 1974; and John Przewoznik, 30, who died on March 16, 1974.

Gary Blanchette, 24, of Bartlett, who died April 12, 1974; and Robert A. Schuerr, 19, of 164 N. Rt. 12, Fox Lake, who died Feb. 17, 1974, are the only patients not from Chicago.

Wednesday. The News-Sun reported that an autopsy on a 19-year-old retarded patient who died at the Pavilion of Highland Park Nursing Home revealed pneumonia and malnurition as the cause of death, not cardiac arrest and food toxicity as indicated on the death certificate.

Dr. Sam Kruger, the Highland Park physician who provided medical services for Richard Hall at the Pavilion of Highland Park in Highwood, was also one of the doctors responsible for mentally retarded patients at All Seasons, The News-Sun was told.

Dr. Richard Kinney, director of the Illinois Department of Mental Health's Region II Division of Disabilities covering Lake and McHenry counties, has claimed All Seasons was visited on 58 separate occasions during the last 12 months. He has refused to comment on the medical care provided the patients.

In an interview with The News-Sun last year, All Seasons' administrator, Earl Rosenbaum, said there were 105 mentally retarded patients in the home when he took over in September 1973.

He said the home had begun taking patients from Dixon and Lincoln in May and June.

Rosenbaum told The News-Sun, when the home had 105 mentally retarded patients on the second floor, that he was confident his staff could provide better treatment than is found at either Lincoln or Dixon.

"We won't ignore the needs of the patients here," he said.

When interviewed two months ago, however, after 60 of the patients had been pulled out by Dixon and Lincoln officials, Rosenbaum said he had returned them because they were "super-skilled patients."

"They had very little potential to develop," he said.

Rosenbaum described All Seasons as not being merely a "custodial home" like those of Lincoln and Dixon, adding Kinney agreed fully with his decision to return those too retarded to respond to rehabilitation.

"The potential must be there within the patient if he is to respond to nursing home care," he said.

Rosenbaum charged it is the state's intention to de-populate its hospitals of severely and profoundly retarded patients.

"They wanted to reduce the population so they can work with those residents who respond to rehabilitation," added Rosenbaum.

Rosenbaum claimed he personally screened all of the patients given All Seasons by Lincoln and Dixon. This took place in September 1973 when he first became administrator of the home.

Rosenbaum said it was difficult to handle severely and profoundly retarded patients in the same home as geriatric patients.

But he claimed All Seasons could do it because it had the staff for physical and social development programs. "Any home is in trouble when it does not have these programs," Rosenbaum said.

Rosenbaum said he was "deeply committed" to the needs of the mentally re-

tarded. He said he helps raise in excess of $20,000 annually for the Lambs Pet Farm, Inc., a Libertyville sheltered workshop for the mentally retarded.

Rosenbaum told The News-Sun his October 1974 mentally retarded population was 45. This was 30 days before the Nov. 7, 1974 death of a Dixon patient at the home of pneumonia.

Rosenbaum maintained he made the right decision in sending back 60 of his mentally retarded patients.

"State schools are set up for the severely or profoundly retarded patient," he said. "Nursing homes simply cannot give the kind of care they require."

[From the Waukegan (Ill.) News-Sun, Dec. 13, 1974]

STATE TO PROBE COUNTY NURSING HOMES

(By Steve Rothman)

Two Lake County nursing homes where seven mentally retarded patients have died of pneumonia will be investigated by state officials.

Thomas F. Howard, chief enforcement officer of the Illinois Department of Education and Registration, told The News-Sun, "We intend to investigate this matter thoroughly."

Involved are the All Seasons Nursing Home in Waukegan and the Pavilion of Highland Park, Highwood.

The News-Sun, in cooperation with Lake County Coroner Oscar Lind and the Illinois Legislative investigative Commission, has discovered that 12 mentally retarded patients died at All Seasons, at least six from pneumonia, and one at the Pavilion, also of pneumonia.

Lind Thursday filed a new death certificate showing that Richard Hall, 19, of Glenwood Heights, died of bronchial pneumonia at the Pavilion and not food poisoning and cardiac arrest as shown on the death certificate filed by Dr. Sam Kruger, the Highland Park physician responsible for Hall's care.

Dr. Kruger has said that he was aware three or four days after the death that food poisoning was not the cause of death. At the time, however, a food poisoning epidemic at the home was suspected and he thought it was reasonable to list it as a cause.

Lind said he would empanel a special coroner's jury to investigate conditions in both nursing homes as well as others. Lind first learned of the deaths when informed by The News-Sun.

"Nursing homes as well as hospitals should be required to inform the coroner's office of any death," said Lind, maintaining this would lead to better care. "People are a lot more careful when they know someone is minding the store."

Meanwhile, Dr. Richard Kinney, director of Region II Developmental Disabilities, Illinois Department of Mental Health, has promised close surveillance of both nursing homes pending the outcome of the investigation.

Kinney said he could not reach any decision on whether the mentally retarded patients in both facilities should be removed until he studies the evidence gathered during the investigation.

When asked about All Seasons, Kinney said:

"My subregion staff will be in constant touch on All Seasons to ascertain whether the allegations are true."

Kinney said that on June 10, 1974, his department reached an unsigned agreement with All Seasons establishing what the home was expected to do for all developmentally disabled residents in that facility.

"My subregion staff will ascertain whether All Seasons is currently living up to that agreement," added Kinney.

As part of the agreement, All Seasons was to formalize reporting procedures on patient care; supply clothing; provide patients with body, oral and hair care; provide restorative nursing and insure that nutrition and liquid levels were sufficient to maintain the patients.

Both weight checks and changes of position were to be stressed in restorative nursing care for the severely and profoundly retarded patients.

Kinney said his department currently is scrutinizing skilled care being given to mentally retarded patients in nursing homes throughout Illinois. "We have been concerned with this situation for some time," added Kinney, who took over Region II 10 months ago.

Howard's concern with the Pavilion is whether adequate care was given to Hall during his last hours.

Medical records obtained during the investigation show that Dr. Kruger last saw the patient on Aug. 17, 1974, and prescribed a number of tranquilizing and vitamin products.

Hall joined 23 other patients who became ill after the Aug. 19 evening meal, developing severe diarrhea.

At 3 a.m., he was given two tablets of Lomotil to help stop the diarrhea. His temperature was 100 degrees.

At 7 a.m., Dr. Kruger was notified of the patient's condition and prescribed 25 milligrams of Lomotil.

At 8 a.m., nursing personnel noted his body was "cold and clammy." He was "weak and very lethargic and unable to eat his breakfast. Lungs appear very congested."

At noon, Kruger's office was notified once again.

At 12:45 p.m., Hall's blood pressure was unobtainable. His pulse was rapid at 130 beats a minute and quite irregular.

At 1:10 p.m., "all vital signs ceased."

Nursing personnel again tried to contact Dr. Kruger, who did not show up at the nursing home until 3 p.m., shortly after the Lake County Health Department arrived to investigate a suspected outbreak of food poisoning.

Howard said he wanted to know why no one thought it necessary to take Hall to a hospital or call another doctor under the circumstances.

[From the Waukegan (Ill.) News-Sun, Dec. 18, 1974]

EXPECT NURSING HOME PROBE HERE

(By Steve Rothman)

An investigation of nursing home operations in Lake County may be in the works before the end of January, The News-Sun has learned.

State. Rep. Ron Griesheimer R-Waukegan, said he will ask the General Assembly to authorize a "broad-based" inquiry by the Illinois Legislative Investigating Commission.

Griesheimer called for the investigation following a series of News-Sun reports on the deaths of at least 13 mentally retarded patients in two Lake County nursing homes.

State Rept. Adeline Geo-Karis, R-Zion, also indicated she would favor a state investigation of county nursing homes.

Mrs. Geo-Karis also was asked by the Crown Manor Nursing Home in Zion to investigate a bill received by a patient for psychiatric services the patient never received.

Earlier, the News-Sun reported that the Illinois Department of Education and Registration also will investigate the pneumonia deaths of at least seven of the patients at the All Seasons Nursing Home in Waukegan and the Pavillion of Highland Park, Highwood.

Lake County Coroner Oscar Lind has subpoenaed the medical records of all mentally retarded patients for the hearings.

"We are just putting together facts at this time," said Lind, adding that he was "pleased" that the commission would be entering the case.

"We need trained investigators who can look into the matter thoroughly," said Lind, asking that all concerned residents contact his office with information regarding any nursing home. "We need stiff laws requiring autopsies on all deaths in Illinois," he said. "This is one way to insure proper care during life as a post morten will disclose any irregular causes of death."

Griesheimer said the resolution will be introduced Jan. 7. "I anticipate no problem in getting it through the legislature," he said.

"If there are new laws required, the commission will recommend them," he said. "If a nursing home has committed violations which require removal of a license, it can recommend it.

"The point is we want to get to the bottom of the matter as quickly as possible," I think that is important to everyone involved."

State mental health officials told The News-Sun they have been concerned for some time with the kind of care being given to mentally ill or mentally retarded patients in nursing homes.

In a November 1974, department report obtained by The News-Sun, investigators said "it is likely that there will always be abuses of community placement and care" in nursing homes.

"When identified, each abuse should be promptly corrected. But the citizen groups critical of department community placement practices would better serve the mentally ill were they to focus their attention on those abuses and the system as it exists today rather than generalizing the deplorable practices of the past—which have ceased."

"Mental health has always been a stepchild of government and so has the Department of Conservation," said Griesheimer.

"Whenever a budget cut is required, it is always from those two departments," he added, terming the situation "deplorable."

The department admits it has been the subject of criticism for placing longtime elderly patients into "totally inadequate nursing care facilities to the detriment of both the patient and the community.

The department admits it "dumped" patients into the community during past years. "Superintendents were complimented by how rapidly they did it. Institutional employes welcomed it; they weren't going to lose their jobs because sufficient patients remained in the state facilities to require their care."

Department officials deny that mentally ill patients receive more care than mentally retarded patients. Of the 15,200 residents in state facilities, 48 per cent have been diagnosed as having mental retardation problems.

"The department knows that treatment of a developmental disability has variables from treatment of mental illness," the white paper added.

[From the Waukegan (Ill.) News-Sun Dec. 28, 1974]

"SYSTEMATIC DISPOSAL" OF PATIENTS CHARGED

(By Steve Rothman)

Illinois health officials have been accused of carrying on a program that results in the systematic disposal of thousands of mentally retarded patients once kept in state institutions.

"If one wanted to purposely get rid of retarded children secretly, he would devise the present system," said Dr. Robert Mendelsohn, a consultant to the Illinois Department of Mental Health for 14 years, and co-author of "A Handbook on Mental Retardation" being published under the auspices of the American Medical Association in 1975.

"It is unfortunate that maltreatment of the mentally retarded and other underprivileged groups in society has become a part of the American way of life," added Mendelsohn, a pediatrician and an associate professor of the Department of Preventive Medicine at the University of Illinois and assistant to the vice president of Michael Reese Hospital.

Mendelsohn was interviewed by The News-Sun in connection with the deaths of 15 mentally retarded patients at All Seasons Nursing Home in Waukegan and one death of a mentally retarded patient at the Pavilion of Highland Park, Highwood.

A spokesman for Illinois Gov. Daniel Walker termed Mendelsohn's charges "absolute nonsense."

"I think it is an irresponsible statement by someone who does not have any working knowledge of the complexities of the department," said Dr. Leroy Levitt, state mental health director.

Levitt, who was "appalled" by the 15 deaths at All Seasons, promised to supply the News-Sun with statistics on what had happened to all the other profoundly and severely retarded patients placed in similar nursing homes by his department in Illinois and other states.

Levitt also confirmed he has placed mentally retarded patients in out-of-state nursing homes.

Levitt said if that number of deaths had occurred "in one of my facilities, all kinds of heads would roll. I assure you that does not transpire in state facilities."

Mendelsohn told the newspaper that in his opinion the death certificates on the mentally retarded filed in the office of Lake County Clerk Grace Mary Stern merited a thorough investigation.

The question is not that they died, but "whether they should have died in the first place," he added.

Mendelsohn said that in "these days of modern medicine, with proper care, the ordinary life span of a mentally retarded person not suffering from other disabling conditions, would be pretty close to the life span of a normal person."

He now has some second thoughts about ever having recommended placement of mentally retarded patients in privately operated nursing homes.

Mendelsohn now believes that given present social conditions and attitudes, the mentally retarded patients may receive better care at state schools like Lincoln and Dixon because of the spotlight of public attention. The combined total population at these schools dropped from nearly 11,000 in 1968 to less than 3,600 in 1974.

The mental health department's total placement in nursing homes facilities in Illinois is now 17,000, with 12,000 of this number now carried on the public aid roles.

"My feeling is that community placement is a good idea in theory, but in practice it has proven to be an instrument largely for reducing the apparent cost of care," he said.

"With the way of much of community placement is working at the present time, I would be willing to return to a system of custodial care where at least the patient receives three meals a day, a roof over his head and some degree of caring which is what is signified by the term 'custodial care'," he added.

Mendelsohn said that a review of the death certificates of All Seasons patients reveals that some of the causes of death are "questionable," explaining the listing of the cause of death as "cerebral palsy" or "cardio-respiratory arrest" is "laughable."

"Everyone ultimately dies of cardio-respiratory arrest," he said, explaining there is sufficient evidence to inquire into the licensure of both the homes and the doctors involved.

[From the Waukegan (Ill.) News-Sun, Jan. 2, 1975]

PARENTS OF RETARDED BLAST STATE CARE

(By Steve Rothman)

An official of the defunct All Seasons Association for the Retarded has accused state officials of ignoring their request for an investigation.

"We sent letters to all of the various state and county agencies asking them to look into problems at the (All Seasons) nursing home, but they were ignored," said Mrs. Helen Mott, who disclosed copies of correspondence never answered by state officials.

The Motts took their daughter out of the Waukegan nursing home and returned her to Lincoln State School, "because conditions were so bad there." (at All Seasons).

The association was made up of parents whose children had been in state institutions prior to transfer. It acted as the patients' advocate.

In the letter to various mental and public health officials, the association listed the following charges:

Residents not getting dental care; public aid will pay only for fillings and emergency dental cases, not examination or cleaning or preventive dentistry. A resident must develop a cavity or abscess before treatment is given.

Nails not kept clipped; many residents are full of scratches from their long nails.

Residents not bathed often enough and not kept clean.

Diapers not changed before meals: residents fed while wet and cold.

Faces and hands not wiped off after meals: We often see residents with dried food on their faces, necks, hands and in the hair.

Slow feeders are not allowed enough time for meals; it takes time for some residents to coordinate their swallowing mechanism.

Residents not kept warm at all times: we have seen residents lying in bed uncovered with the blanket at the foot of the bed. At Christmas (1973), the residents received gifts of lovely lap robes, none of these are used now. We have observed residents sometimes wearing only a diaper.

In other charges, parents complained that the privilege of unrestricted visits to their relatives at state facilities has not been granted because of public aid regulations.

While the association applauded the health officials for their efforts to provide rehabilitation programs, it added: "Let's make sure these people survive or they won't need programs."

In a letter to Myron Birky, associate administrator for the state mental health department's developmental disabilities division, the association said: "We are learning that purchasing care, in the case of (mentally retarded) residents requiring skilled nursing care, is not cheaper than state institutional care."

The cost is less only when less care is provided—when residents are denied dental care, adequate medical supervision and even basic body hygiene that is essential to health and disease prevention.

The letter continued that parents would be happy to have their relatives transferred back to places like Dixon and Lincoln, where they could be assured of "adequate basic care."

Dr. LeRoy P. Levitt, state mental health director, told The News-Sun his health officials had received a number of reports concerning problems at the home. However, he could not explain why placements were not discontinued until the charges had been fully investigated.

"I am just as concerned as you are about those deaths," said Levitt, adding that he had his own investigation going on about them. Levitt was referring to deaths of the 15 mentally retarded patients, placed by the state in All Seasons Nursing home. All but one of the 15 died within four days of their transfer to hospital facilities. The other patient died 24 days after being transferred.

"I know what you feel about it, and in no way do I condone it," added Levitt.

In a letter from the Lake County Health Department to Mrs. Helen Mott, Mrs. Josephine Schabowicz, institutional nurse consultant, said:

"On a visit to the facility on Feb. 26, 1974, Mr. C. Roane, from our staff and I found many of the association's complaints that had been reported were justified. We have related our finding to Mr. William J. Walsh, Regional Illinois Department of Public Health coordinator . . ."

But when Walsh was questioned about the complaints, he said: "I don't want to get about that situation at all." Walsh is charged with inspecting nursing homes to see that proper care is given patients.

Levitt said he would find out why Walsh "didn't want to get involved".

The list of those who transferred to All Seasons Nursing Home who subsequently died there or at St. Therese Hospital and the causes of death are as follows:

Loretta Parker, 19, cochexia and chronic wasting; Robert Horn, 26, cardio-vascular collapse and pneumonia; Charles Becker, 79, cardio-respiratory arrest; George Herron Jr., 20, broncho-pneumonia; Marry M. Pickett, 19, cerebral palsy; Robert Rupkey, 23, pneumonia (presumptive); Timothy Wendt, 32, pneumonia; Bradley Holmes, 21, bacterial sepsis and bilateral broncho-pneumonia; John Prezewoznik, 30, pneumonia; Gary Blanchette, 24, pneumonia; Warren williams, 26, pneumonia; Judith Ginger, 24, cardio-respiratory arrest, clinically, enteritis with dehydration and possibly electrolyte imbalance, and severe muscular dystrophy and mental retardation; Adolph Bentsen, 81, broncho-pneumonia and encephalopathy; Caroline Marie Driscoll, 20, obstruction of airway, history of obstruction of bread and hot dog, history of retardation.

Gail Lee, about 20, died of chronic wasting and malnutrition after being rushed to the Lincoln School's hospital in March, state officials said.

Officials at All Seasons Nursing Home were called, but were unavailable for comment.

The resolution was sponsored by State Rep. Ronald Griesheimer, R-Waukegan. It was supported by State Rep. Adeline Geo-Karis, R-Zion, and State Rep. Calvin Skinner Jr., R-Crystal Lake.

The Illinois Department of Education and Registration is also looking into possible licensing irregularities at All Seasons as well as at the Pavilion of Highland Park in Highwood, where another mentally retarded patient died last August.

Lake County Oscar Lind, who has launched his own investigation, found the death certificate in the Pavilion of Highland Park case had indicated death by food poisoning and cardiac arrest, when in fact the patient died of pneumonia and "malnutrition."

"I am pleased that the commission is coming to Lake County," said Lind, adding he would cooperate with the commission in its efforts.

"There is a dark and murky problem facing us which must be cleaned up once and for all," said Lind, who added that the legislature should pass laws requiring the reporting of all deaths to the county coroner's office.

"Leave it up to the coroner to decide whether or not an autopsy is in order," said Lind, maintaining such a procedure would ensure quality care for any and all people in hospitals or other institutions.

Levitt said of the 938 mentally retarded patients given conditional discharges, 228 were severely retarded, 395 profoundly retarded, and 150 moderately retarded. Of the total, 165 returned to their own homes.

When asked whether this meant that nearly 50 per cent of the mentally retarded patients who died did so after placement at All Seasons, Levitt said:

"I asked the same question this morning and I am making the assumption that the 15 deaths in the last 17 months had to be the ones reported out of All Seasons. I would assume that by my figures."

[From the Waukegan (Ill.) News-Sun, Jan. 9, 1975]

RETARDED DEATH RATE HIGHEST IN WAUKEGAN

(By Steve Rothman)

More mentally retarded patients have died in All Seasons Nursing Home in Waukegan than in any other private or public institution in the state, The News-Sun has learned.

Dr. Leroy Levitt, state mental health director, said an investigation of records shows 14 seriously and profoundingly retarded patients died following placement in the home during the last 17-month period.

Levitt said his records did not reflect a 15th mentally retarded patient who choked to death on a hot dog on Nov. 7, 1974.

Levitt said of the 938 profoundly and severely retarded patients taken from state schools and placed in private nursing home facilities around the state only 31 deaths occurred.

Seven mentally retarded patients died in the Illinois Extended Care Nursing Home in Rockford. The remainder died in other nursing homes around the state.

Levitt could give no explanation why his department continued placing severely and profoundly retarded patients into All Seasons following reports to the Illinois Department of Public Health and his department alleging maltreatment at the facility.

At the same time, Levitt said he could not say how many of the other 1,835 profoundly and severely retarded patients taken from state schools and given absolute discharges during the same 17-month period had died.

"On the absolute discharges, we have no statistics regarding those deaths," said Levitt, who plans to send a top medical team to the Waukegan nursing home this week to check on patient care.

Levitt made the decision to launch an investigation after The News-Sun began publishing stories detailing possible irregularities at the nursing home.

Officials at All Seasons, according to their attorney, Paul Chervin, declined comment on the latest disclosures.

Dr. Robert Mendelsohn, a consultant on mental retardation problems for the state, in a News-Sun interview last week, accused Illinois of "systematically disposing" of thousands of mentally retarded patients formerly kept in state facilities.

He has criticized state officials who claim it is cheaper to place them in private institutions.

"It is unfortunate that the maltreatment of the mentally retarded and other underprivileged groups has become part of the American way of life," Mendelsohn told The News-Sun.

Dr. Levitt discounted Mendelsohn's remarks, saying Mendelsohn was given to "rash and impulsive" statements.

Tuesday, the Illinois General Assembly approved a resolution giving the Illinois Legislative Investigating Commission broad powers to look into nursing home problems in Lake County.

[From the Waukegan (Ill.) News-Sun, Jan. 13, 1975]

STATE IGNORED MENTAL HEALTH WARNINGS

(By Steve Rothman)

Illinois state health officials should not place mentally ill or mentally retarded patients into nursing homes, according to Eugene Theios, executive administrator of the Lake County Health Department.

But despite repeated warnings, Illinois mental health officials continued to make such placement, bringing the county's mentally ill and mentally retarded patient population to nearly 600.

Theios, whose department wrote critical reports on conditions at All Seasons Nursing Home in Waukegan, where 17 mentally retarded patients have died in the last 17 months, told The News-Sun:

"I think the death toll would have gone even higher if we had stayed out of the situation." More deaths have occurred at All Seasons than at any other private or public nursing home in Illinois.

Dr. Leroy Levitt, state mental health director, could not explain why his department continued to place mentally retarded patients in nursing homes here with state and public health officials warning of problems.

Levitt first claimed he had never seen any correspondence from the county health department concerning the problems at All Seasons. Then he confirmed receiving a letter critical of those placements.

In an Aug. 2, 1974, letter to Levitt, Edwin Oberto, county health board president, said:

"The county board of health has considered the matter of placement of patients of state mental hospitals into private nursing homes in Lake County.

"As you know, previous placement of a large number of these patients in a licensed facility in our areas was not a success. I am concerned about patient care under these circumstances.

"We believe that caring facilities built and staffed under the provisions of the Illinois Department of Public Health for shelter care can't provide the level of care needed by the mentally ill or mentally retarded persons who may have been long-term patients at state mental hospitals.

"We do not believe that the medical and nursing requirements in these homes are sufficient for the care of these patients," added Oberto.

Theios in a memorandum to the health board, said his check of nursing homes showed they were listing his department as the source of medical supervision of these mentally ill and mentally retarded patients.

"We cannot, from a logistic standpoint, provide the psychiatric care that 700-plus formerly hospitalized patients require," said Theios, adding state health officials have provided little community preparation for bringing the patients to Lake County.

Theios charged state health officials have not promulgated rules covering care for these types of patients in private facilities. Theios said while Levitt promised to provide his department with the funds needed to provide consultation to homes with these types of patients, the money has not been forthcoming.

In answer to Oberto's letter, Region II health officials said:

". . . Levitt and I are concerned about the matters which you raised in your letter. We, too, are concerned about placement of former Department of Mental Health patients.

"It is a difficult problem that we face when patients no longer need hospitalization and we are faced with finding alternatives for them in an extramural setting.

"We do want to follow through on our responsibility to these patients placed in Lake County in close cooperation with you."

State health officials conceded it is the responsibility of Illinois Department of Public Health to come up with standards for homes accepting these kinds of patients.

However, state health officials did not increase the county's budget for protecting these patients in long-term care facilities for fiscal 1975, which began on July 1, 1974.

Dr. Edward J. Leslie, chairman of the county health department's advisory board for mental health, called for a resolution asking the state to create statewide standards which must be met before placing such patients in a community setting. Oberto, in his letter, asked Levitt to suspend further placements at the January 1974, level until such standards are set.

Levitt told The News-Sun he had suspended further placement of severely and profoundly retarded patients into community nursing homes as of Nov. 30, 1974.

However, when he was asked why All Seasons received two more severely and profoundly retarded patients from the Dixon State School during the first week in December, he said:

"Well, that arrangement might have been made prior to that. I am glad you mentioned that, I will check it out."

However, Levitt could give no explanation why his ban on placing severely and profoundly retarded patients had not been lived up to.

David Edelson, administrator of the Dixon State School, said the entire problem arose because the Illinois General Assembly decided to thwart construction of all of the seven special care facilities designed and planned by mental health officials back in 1970.

Only three of these facilities, which ring the Chicago metropolitan area, have been completed. There is no plan to construct the special evaulation and treatment hospital planned by the department or the other three mental health facilities as well.

"The situation could have been avoided had the legislature not seen fit to cut our budget," said Edelson. "I agree with you that some types of patients can only be properly cared for in state facilities.

"We don't have to run at a profit like private nursing homes so we don't have to stint on care."

[From the Waukegan (Ill.) News-Sun, Jan. 14, 1975]

MENTAL HEALTH CARE ABUSES REVEALED

(By Steve Rothman)

State mental health officials say the public should be given all of the facts concerning alleged abuses of mentally ill or mentally retarded patients in nursing home facilities.

Dr. Leroy Levitt, state mental health director, made this comment in interviews with The News-Sun concerning the care given to these patients in Lake County nursing home facilities.

Levitt told The News-Sun there are no state standards governing the care of these types of patients in Illinois. But he said he had been trying to arrive at some kind of regulations which would meet public health standards as well.

Levitt said his department wants to continue placing patients in as many good private homes as it can.

The community placement program, however, is coming under increasing attack from county health agencies which believe placement of mentally ill or mentally retarded patients in such facilities is wrong because of a shortage of qualified personnel and facilities.

Levitt said he would provide the Illinois Department of Public Health, which licenses long-term care facilities, with full data on the mental health department's investigation of the Pavilion of Highland Park, Highwood, and All Seasons Nursing Home, Waukegan.

The News-Sun has found evidence at the two homes of "possible neglect of patients," said Lake County Coroner Oscar Lind. Officials at the two nursing homes have refused to comment.

According to Lind, 17 mentally retarded patients have died under "questionable circumstances" at All Seasons during the last 17 months; one died at the Pavilion, where a death certificate was filed listing the youth's death as food poisoning and cardiac arrest, when in fact he died of pneumonia and malnutrition, Lind said.

Following is some of the material collected by The News-Sun in its nursing home investigation:

All Seasons officials purchased the facility from a federal bankruptcy court in Oklahoma City. It was part of the assets of the defunct Four Seasons Nursing Homes Inc.

The purchasers were Dan Lipman and Norman Ruttenberg who later brought Earl

Rosenbaum, the home's current administrator, into the organization as a partner.

Rosenbaum became the home's administrator for a brief period in March 1973, when the home's then administrator, James Bryan, was discharged.

But on March 20, Melvin Levitt was made administrator of the home because Rosenbaum had responsibilities in another facility owned by the group.

The same group owns the Eden View Terrace Nursing Home in Northbrook and the Bryn Mawr Nursing Home in Chicago.

Shortly after Levitt took over, Mrs. Josephine Schabowicz, institutional nurse consultant for the Lake County Health Department, found irregularities at the facility.

While housekeeping problems were apparent from the very beginning, she said most of the problems had been corrected in a May 8, 1973, letter to state health officials.

But in June, Mrs. Schabowicz found deterioration of patient care with the arrival of profoundly and severely retarded patients from Lincoln and Dixon.

"My daughter was among the first six patients to be shifted from Lincoln to All Seasons," said Mrs. Helen Mott, former secretary of the now defunct All Seasons Association for the Retarded, a parent watchdog group.

"We went up there and were very favorably impressed," she continued, "It was a beautiful place, air conditioning . . . and we were thrilled to death to have her (their daughter) closer to home. We were looking forward to it. And it was fine for a while."

On June 7, 1973, Mrs. Schabowicz became alarmed at conditions at the home, sending a letter to Dr. Don L. Kimbrell, division of mental retardation, Madden Zone Center, Hines, Ill., stating her concern for adequate staffing.

"All of the patients wore some type of restraining device which requires a physicians's order and appropriate comments on the record to justify its application.

"We found one patient who had slipped out of the seat of a folding type wheelchair, her vest restraint slipped upwards, she had urinated in her effort to pull herself up.

"Your nurse (All Seasons) and I pulled her up with with the help of a nurse's aide who happened to pass through," she related in memorandums to Levitt and in the Kimbrell letter.

"The collapsable wheelchair kept folding as we attempted to get her into a sitting position. It is felt that this patient may have strangled herself had we not come up to here at the time."

Mrs. Schabowicz found patients in wet diapers but unattended. "It is felt that an aide should be assigned to be present with the group at all times to insure their safety," she wrote. Other patients were lying in wet beds, no evidence of any activity in progress even though the activity roster had two activities scheduled for the morning.

"There was dried fecal material on some of the patients," she said.

And she urgently advised: "We would like to suggest that you restrict further admissions of the mentally retarded residents until staffing has increased and those presently employed have had an opportunity to receive some inservice training on the care of this type of residents."

Her warning went ignored as the Illinois Department of Mental Health continued sending patients to All Seasons until its occupancy level reached 105 in the fall of 1973.

Most problems were on the home's second floor, where News-Sun reporters were given a tour by Rosenbaum, who told them he would provide better care than had ever been available at either Lincoln or Dixon.

But there were problems on the first floor in-patient care as well.

Bruno Jermakowicz, 81, died of bronchopneumonia on July 26, 1973.

"Many times when we came in we found him sopping wet," said his daughter who lives in North Chicago. "There would be dried bowel around him and his sheets were dry with urine.

"There were bed sores on both cheeks and on his heels," she said. The building was often cold—a complaint that Mrs. Schabowicz registered as early as Nov. 28, 1972, when she advised the home's owners to do something about it.

"His glasses and clothing were stolen," she said, adding she often found him lying without a blanket. "One day, he had managed to get his jacket and wrapped this around himself."

She said her father was senile and had to be kept in a restraint. But she found little reason for the home's failure to keep him clean.

She said nursing home officials would not allow the family doctor to treat her father. "They said Dr. (Sam) Krsger was the house doctor and he took care of all the patients," she said.

"The night before he died I went to the home," she said. "I found him lying on top of the sheet. He was cold. I couldn't find anyone with a blanket for him.

The next day he was gone."

[From the Waukegan (Ill.) News-Sun, Jan. 15, 1975]

COUNTY HEALTH OFFICIALS CRITICAL OF NURSING HOME

(By Steve Rothman)

"They never bothered to feed the kids. They were always starving to get food, and there were no blankets, sheets and water; they seldom gave the children anything to drink."

These were the conditions claimed by Mrs. Helen Fields to promote a trip by parents of the All Seasons Association for the Retarded to make a personal plea to Lincoln State School officials to get their children out of the All Seasons Nursing Home in Waukegan.

"We were among the lucky ones," said Mrs. Fields about their 24-year-old daughter, Ellen May. "We got her out in time. Others didn't."

In the last 17 months, 17 mentally retarded patients have died at the home, more than in any other public or private facility in the state.

The conditions mentioned over and over by many relatives of patients interviewed by The News-Sun were evident as early as June 11, 1973. In a letter to state mental health officials, Mrs. Jo Schabowicz, the Lake County Health Department's institutional nurse consultant, wrote:

". . . No drinking water is ever offered nor is it available on the bed stands. Care of retarded children's mouths is neglected.

"Insufficient bathing, patients smell of dry urine and heavy body odor. Housekeeping is poor, the floors are very dirty. Equipment needed is not available. Dirty linen is piled high in the hallways."

Three inspections were held at All Seasons during June by state health officials who control the purse strings for federal Medicaid and Medicare funds. In letters to the county health department and All Seasons, Russel L. Bryant, a state health administrator, wrote:

"These three inspections result in the finding of significant deficiencies in the minimum standards, rules and regulations for long term care facilities. You were advised of these at the time of the visits."

Bryant confirmed the reports from nursing personnel at the home who had called Mrs. Schabowicz out of concern for their patients. And the home was warned that "if these deficiencies are not corrected, the department will have no other alternative but to change your license to temporary license."

Downgrading of a license is the second step toward stripping a home of the right to care for Medicaid or Medicare patients.

On July 19, Dr. Don L. Kimbrill, director of Mental Retardation, Madden Zone Center, of state public health, wrote to Lincoln and Dixon state school officials; Dr. Leroy Levitt, state mental health director; Patrick Saunders, administrator of the Waukegan Developmental Mental Center, and county health officials concerning All Seasons.

In that letter, Dr. Kimbrill, said there were then 116 residents in the home, 45 of them mentally retarded. Inspectors found:

". . . several urine puddles and food spills on the floor. We cautioned staff against the practice of placing residents in carpeted sitting room areas in front of nursing stations."

Tours of the rooms found soiled personal clothing on the closet floors; odor (urine and bowel) accumulation was present. The excuse was the laundress had just taken the laundry basket downstairs. The kitchen was neglected, tile floor was sticky dirty gray with oil accumulation in doorways, around doors, and cupboards."

In a memorandum to county health department officials, Mrs. Schabowicz wrote of the complaints she had received:

"We had a multitude of complaints that, when we proceeded to investigate, were generally accurate in spite of the greater proportion of telephone complaints being anonymous."

Alarmed with the reports which Mrs. Schabowicz was sending to state health officials, the home's owners, Norman Ruttenburg and Dan Lipman, asked for a meeting with her.

They accused her of taking the wrong attitude about problems at the home. They argued she had never reported a good thing about the home and that it appeared her "purpose is to see the home fail."

Lipman was displeased with the unannounced visits made by county health officials, a practice which Dr. Leroy Levitt, state mental health administrator, told the News-Sun his people never did. "We always tell them when we are coming," he said, but refused to answer whether this insured quality care at all times.

Mrs. Schabowicz said both men were extremely upset with her reports, claiming she had shown extreme "unprofessionalism" in her actions.

On Aug. 27, state health officials conducted an investigation at the home. They found 151 public aid patients living in the home, whose total population was 164. Eighty-eight were profoundly retarded.

The home's owners claimed state health officials considered All Seasons to be one of the finest in the state. However, state health officials in Wheaton had a different story. They said the home "did not enjoy this reputation by their staff at the Illinois Department of Public Health and further they considered the home marginally operated and subject to review for noncompliance with caring facilities standards."

They praised Mrs. Schabowicz for her "excellence in evaluation of the home."

[From the Waukegan (Ill.) News-Sun, Jan. 16, 1975]

STATE HALTS PATIENT SHIFT—NURSING CARE CITED

(By Steve Rothman)

Lincoln State School plans to send more severely retarded patients to private nursing homes in Illinois and Wisconsin have been abandoned in the wake of a News-Sun investigation.

Dr. Richard Blanton, developmental disabilities director for the Illinois Department of Mental Health, told the newspaper that he had ordered Lincoln officials not to place

any mentally retarded patients until further notice. Dr. Blanton said his order affected all mentally retarded patients at all state facilities.

Dr. Blanton was surprised to learn Lincoln intended to place profoundly and severely retarded patients despite a moratorium on community placement ordered by Dr. Leroy Levitt, state mental health director.

"Thank God," said Mrs. Helen Mott, whose child had been in All Seasons Nursing Home in Waukegan, where 17 mentally retarded patients died following placement. Her child is now back at Lincoln. "Parents were being pressured into sending their children out to other facilities.

"We had said we didn't want them sent any other place, but they refused to listen," she added.

The five Lincoln placements, The News-Sun learned, earmarked for Carlyle Home in Beloit, Wis., were youngsters from All Seasons. They had been taken back in Lincoln School after officials found 48 of them suffering from dysentery. They all sustained weight losses, which ran as high as 26 pounds in the case of three girls, Lincoln officials said.

Another ten Lincoln patients had been ear-marked for a nursing home in Canton, Ill.

"The moratorium actually involved skilled nursing level individuals," said Dr. Blanton. He said that he and Dr. Levitt were trying to determine why there were problems at Illinois Extended Care Center in Rockford, where seven mentally retarded patients died and at All Seasons, where 17 patients died in the last 17 months. All Seasons' death toll represents nearly 50 per cent of the total number of deaths statewide.

"The big problem seemed to be those individuals who needed expensive nursing and medical care," Dr. Blanton said.

Skilled care patients are defined by Blanton as being mentally retarded patients who cannot feed themselves, are bedfast, and require careful medical and nursing attention.

When The News-Sun learned of the Lincoln School's placement plans Tuesday, Dr. Blanton was contacted.

"I don't understand why they are placing them," he said, unwilling to believe that a state order was being ignored. "The moratorium on that type of individuals has definitely not been withdrawn.

"All of the superintendents have been given orders not to place this type of skilled level individual," he added.

Less than an hour after being questioned about the Lincoln plans, Dr. Blanton called back and confirmed the newspaper's information. "I just talked with Paul Klockengay, the superintendent (at Lincoln) and Mrs. Wright who handles the placement, and you were right.

"They were going to send some of the individuals who came from Waukegan to Carlyle. And the rationale they gave me was that these individuals are not skilled level, even though they were bedfast and profound.

"They aren't as far as the (Illinois Public Aid) point system is concerned," he said, (IPA determines the level of care required). "They were not skilled level so they went ahead and considered them for placement.

"Now I have asked them not to do this, and the rationale that I gave them is, look folks, these people have gotten in trouble before, and we are not quite sure and won't know until we finish the investigation, why they got into trouble, so let's not send them out again and get them in trouble again."

Dr. Blanton also ordered the Canton placement canceled. "I got the same story as you did," said Dr. Blanton, confirming reports given him by the newspaper. "Well, these people we have on the list have been recommended again for placement, and in one or two cases, it was the parents who asked for placement.

"The one thing I have asked them not to do until we find out, no matter what the level, is to make placements, because I know, at the time they were moved from All Seasons, they were at the skilled nursing level, because they needed a lot of care, they were losing weight.

"I have asked them not to make these placements now until we complete our investigation and decide," he said. Dr. Blanton said school officials have been told to advise parents there will be no further community placements for the time being of any mentally retarded patient. "If we feel that we can make that placement later on, then we will talk to parents," he said.

Dr. Blanton said while Lincoln staff was pleased with the Canton home, he found there was no plan for monitoring the patients once placed there. "Until we have worked that out, and until we can make sure that intermediate level individuals, who are truly intermediate level individuals who will not wind up at skilled level at the nursing home, we are not going to make further placements."

Dr. Blanton conceded the Illinois Public Aid point system, which pays more money depending on the level of care required, is at the root of the problem for some nursing home operators.

"It is possible for the level of a patient to change, for if you let them become more dependent, and require more nursing skills, you can wind up changing a patient from a person who does not need much help to one who needs more."

Not all parents were happy with the moratorium on Carlyle House. A Park Ridge mother, whose child lost eight pounds while a patient at All Seasons, had hoped her child would be placed there on Jan. 21 as planned. But she recognized the need for caution.

"My child had a good appetite and still lost eight pounds at All Seasons," she said. "And I often saw staff standing around complaining about the fact there wasn't enough staff.

"The food was always cold and so was the room," she added. "He was 11 years at Lincoln and never had a bed sore, but he had two by the time he got out of All Seasons."

[From the Waukegan (Ill.) News-Sun, Jan. 17, 1975]

HEALTH OFFICIAL: WHY SILENCE?

(By Steve Rothman)

An Illinois mental health official says one of the disturbing discoveries in the continuing discoveries in the continuing controversy over the maltreatment of mentally retarded patients in a Waukegan nursing home is the fact that nothing was done when the conditions were first reported.

Dr. Richard Blanton, director of development disabilities for the Illinois Department Mental Health, said he was shocked by the Lake County Health Department reports about the All Seasons Nursing Home and asked:

"Why didn't our staff return our patients when they saw what was going on at the home?"

Dr. Blanton said he was going to try to learn the answer to that question in his own investigation.

State mental health officials say there will be no further placements of mentally retarded patients at the nursing home until the investigations of the facility are completed.

"That is the position that Dr. (Leroy) Levitt took at Rockford and I am sure he will take the same position here," said Dr. Blanton.

Earlier this week, Dr. Blanton froze all placements to all private nursing homes.

Dr. Levitt, state mental health director, stopped all placements at Illinois Extended Care Center in Rockford following the death of seven mentally retarded patients there in 1974. After an investigation, the Illinois home was sold to other operators.

Dr. Blanton said a team of medical experts is currently evaluating on a patient-by-patient basis all of the mentally retarded and mentally ill patients housed at All Seasons.

Seventeen mentally retarded patients have died in the last 17 months.

Dr. Blanton said no decision on whether all of the patients should be pulled out will be made until after the investigation is completed.

Pat Saunders, director what was the new Waukegan Developmental Disabilities Center, said he was "instrumental" in obtaining mentally retarded patients for All Seasons.

In a memorandum written by Mrs. Josephine Schabowicz, the Lake County Health Department's facilities consultant, she said that Sanders seemed pleased with having established this relationship.

Mrs. Schabowicz said she informed him county health officials were recommending no further mentally retarded patients be sent there pending the hiring of sufficient staff and the correcting of numerous housekeeping problems.

Saunders confirmed Mrs. Schabowicz's report which was filed on June 8, 1973, about two months after state mental health officials began sending patients to the home.

"Now I don't have the exact date, but it would have been in mid to late 1971, when the facility was still owned by Four Seasons, that I became involved with possible placement of patients there."

Four Seasons was the original owner of the home which was sold to a group consisting of Dan Lipman, Norman Ruttenburg and Earl Rosenbaum, the current administrator. "They were interested in finding out what the facility could be used for," he continued. "I was assigned by the general office in Springfield to see if a program was feasible."

The plan was eventually presented to department officials but no action was ever taken. After the home was purchased by its current operators, Saunders said they renewed the request for mentally retarded placements.

"I didn't become involved with them (the current owners) until they had gone through one or two administrators," said Saunders.

Saunders was referring to the firing of James Bryan, the original administrator, and Rosenbaum, who stepped down to run one of the group's Chicago homes. Melvin Levitt was then named All Seasons administrator.

Saunders said he got to know the group sometime after Levitt took over. "I was assigned to work, to offer whatever we could do in developing programs," said Saunders.

Administrators prior to Levitt had complained few patients were being attracted to the new facility, according to county health records. The population as of March 30, 1973, was 32. Following that report, the census rose rapidly at the home with receipt of mentally retarded patients from both Lincoln and Dixon state schools, which were in the process of trying to reduce their own patient population. "We thought at the time that community placement was a good idea," said Dr. Robert Mendelsohn, a state mental health consultant for the last 14 years. "I am afraid the entire idea is all wrong."

Saunders said he didn't recommend that no further placements be made at All Seasons following conversation with Mrs. Schabowicz. But he did recommend that state public health officials look into the matter.

"There was a check made on the home on June 12, and there was a letter sent to Levitt stating they hoped the problems could be resolved."

Saunders said he faded out of the picture then, as he became busy with the task of opening the new Waukegan facility, which will become the home for roughly 400 mentally retarded youngsters sometime in April.

During the last eight or nine months, Saunders said he had no occasion to visit

the home. "There is an exception," he said. "That is when the parents' group (All Seasons Association for the Retarded) became more involved," he said.

He attended two or three of these meetings, where parents asked over and over why care was not improving for their children. Mrs. Helen Mott, association secretary, said Rosenbaum and the other owners were evasive with their answers.

"We never did get any real answers to any of our questions," said Mrs. Mott.

During his earlier involvement, Saunders said questions of training or staff recruitment did come up. But said "these were general discussions."

With the kind of reports being filed on a regular basis over the two-year period, Saunders was asked how the home continued to acquire patients requiring special care.

"I cannot give you the answer to that. I honestly don't know what is involved. All I know is that at one time, there must have been 10 people involved in the discussion; a decision was made to use the home and the selection of patients was left up to Lincoln, Dixon and All Seasons."

[From the Waukegan (Ill.) News-Sun, Jan. 18, 1975]

U.S. ENTERS AREA NURSING HOME PROBE

(By Steve Rothman)

Lake County Coroner Oscar Lind met for more than three hours Friday with U.S. Atty. James Thompson going over material gathered by his office and The News-Sun in a probe of Lake County nursing homes where 19 retarded patients have died in the last 17 months.

Federal investigators have entered the probe and Lind gave Thompson information concerning five nursing homes, two in which 19 died, one involving Medicare fraud, one the robbery of an elderly woman, and one involving kickbacks on medical prescriptions.

Lind also told Thompson all persons interviewed by the News-Sun in its probe have agreed to testify at any government level of investigation but asked that their names not be published.

Lind has been working with State's Atty. Jack Hoogasian since the first death was discovered at the Pavilion of Highland Park, Highwood.

"Hoogasian has provided us with legal counsel in our efforts to get at the bottom of the matter," said Lind.

Hoogasian announced the entry of his office into the investigation today during a news conference in the Lake County Courthouse complex in Waukegan. "My grand jury will explore all facets of the case during the next several weeks," said Hoogasian, who would not state whether any indictments might be returned, saying, "We will decide that at the proper time."

The federal, state and county investigations will center not only on the Pavilion but on All Seasons Nursing Home, where 17 mentally retarded patients died. Lind said there is sufficient evidence to show malnutrition and pneumonia were the causes of death for at least some of the patients. Lind said he completed compilation today of records on 18 deaths.

With disclosure by Dr. Richard Blanton, state director of developmental disabilities, that an epidemic of dysentery broke out in All Seasons during March 1974, Lind said it may be necessary to exhume some of the bodies to see if this was a factor as well.

Funeral directors interviewed by The News-Sun revealed the bodies they handled were "nothing more than skin and bones."

"There were many bed sores as well," said one.

Dr. Bertram Moss, state public health director for longterm care facilities, said patients do not die of pneumonia if they are receiving proper care. The type of pneumonia involved occurs when nursing personnel fail to see the patient receives sufficient exercise, he said.

Moss said no decision has been made on whether there will be a full licensing hearing for All Seasons on Feb. 5, when it comes up for re-licensing.

"We have made no decision on that matter yet," said Moss, who said state health officials have been making a patient-by-patient check on all of the mentally retarded and mentally ill patients the home received from Lincoln and Dixon State Schools, and from both Manteno and Elgin State Hospitals.

Federal investigators will also turn their attention to Crown Manor Nursing Home in Zion.

Investigators said information developed by this newspaper indicated possible Medicare fraud involving a psychologist who billed a Lake County resident for psychiatric services never provided.

[From the Waukegan (Ill.) News-Sun, Jan. 20, 1975]

STATE ADMITS CRITICAL NURSING REPORTS WERE IGNORED

(By Steve Rothman)

Illinois mental health officials now admit receiving reports showing All Seasons Nursing Home was inadequately caring for its patients.

But Dr. Richard Blanton, director of developmental disabilities, said such reports were ignored by mental health placement officials who continued sending mentally retarded patients to the Waukegan facility.

"I have two questions," Dr. Blanton said. "I don't understand how they maintained their license with that kind of reports and I don't understand why the mental health staff that we had at the sub-region level left them in that kind of situation."

Blanton's statement concerning the home where 17 mentally retarded patients died following the placement is in contradiction to one made by Dr. Leroy Levitt, mental health director, who told The News-Sun two weeks ago he had no knowledge of problems in the home.

"The thing of it is, we were getting reports that it was a marginal facility as far back as July 1973," said Blanton, referring to Illinois and Lake County health department reports citing numerous violations. These included leaving patients in urine-soaked beds, patients not receiving properly prepared food, too little staff and no training.

In an Aug. 27, 1973 report made by state health officials following numerous complaints about the home, investigators said:

"The 88 profoundly retarded patients were viewed in a state of confusion, everyone in this unit was wet or wore no clothing at all. Patients were lying nude, food spilled on gowns and linen of those patients who had gowns."

Investigators found one female patient infested with maggots and incomplete medical records on all patients. The report states there was no physical therapy or restorative nursing, no bowel and bladder training programs, an inadequate activity program, and restricted availability of physicians. "It is my impression that adequate nursing care is not being received," an investigator said and recommended no further placements at the home. Following the report, Melvin Levitt, All Seasons administrator at the time, was notified that the home would lose its medicare and medicaid funding if the situation were not corrected.

While state health records show these deficiencies apparently were corrected within three days of the report the first mentally retarded patient died of pneumonia and within 30 days, more complaints of the same nature were being filed by concerned parents about what was happening to their children. Blanton admitted that he had never been in a nursing home where the patients were placed. "You have to put some dependence upon the staff that is out there," said Blanton, adding:

"There is a general program effort in the department to place these individuals, but definitely not to place them in settings where they are going to die or they are not going to get care."

All Seasons is just one of eight homes owned by Earl Rosenbaum, a former chemical salesman; Sam Weintraub, the principal owner of Bryn Mawr Nursing Home in Chicago; Dan Lipman; and Norman Ruttenburg, a former clothing salesman.

When All Seasons opened in February 1973, it had problems obtaining patients. But Lipman called a "family meeting" and told Levitt that he would receive two patients from each of the other eight nursing homes the group owned and operated, according to a former Lipman associate.

Lipman's group sent Illinois Public Aid patients from Cook County to Lake County. "They sent us the worst," said the former associate.

The Illinois Department of Public Aid, however, did not approve of such transfers.

But the official said Lipman was able to work out that difficulty. And the home was able to get patients with only a phone call to Elgin, where state mental officials had their offices.

Lipman's entry into the nursing home business came when he purchased a Northbrook nursing home for $5 a bed.

The major stockholders of the corporation owned outright 30 per cent of the operation and sold off the other 70 per cent. The estimated corporate income from the operation is $16 million, based on public aid payment rate of $735 per patient per month. At the same time, employees were paid $2 an hour.

All Seasons was to receive strictly nonambulatory patients from the Illinois Department of Mental Health. "They are cheap to take care of," said the former official. "You can feed them chicken parts that are all ground up and pureed and you never have to worry about giving them steak or anything like that," he said.

[From the Waukegan (Ill.) News-Sun, Mar. 20, 1975]

FOUL NURSING HOME CARE FOR RETARDED DEMANDS PROBE

The fate of mentally retarded patients farmed out by the state to private Lake County nursing homes is terribly disquieting. In fact, the Illinois program is so questionable the likelihood of politically inspired patient transfers from state hospitals must be investigated thoroughly.

Disclosures by the state and information uncovered by The News-Sun point to a cozy system of private and public care that may have been profitable for some but deadly for others. Eighteen mentally retarded patients died at two nursing homes in Lake County during a 17-month period. The number includes 15 who died of what Coroner Oscar Lind described as pneumonia and malnutrition. Seventeen patients died at the All Seasons Nursing Home in Waukegan and another at the Pavilion of Highland Park in Highwood.

The deaths alone would warrant an investigation but, unfortunately, there are many other troublesome aspects to the state program. Nursing home chains appear to be tied insidiously to the state's mental health bureaucracy in ways that assure a steady flow of retarded patients to replace those who die. The ready supply of replacements discounts the arguments of one operator who said it was to the nursing homes' advantage to keep their patients alive in order to receive state and federal pay for their care.

Although the state no longer sends patients to All Seasons in Waukegan it continues to send them to other facilities operated by the same group. Twelve mentally

retarded patients were transferred Feb. 27 from Lincoln to the Carlyle home operated by the group in Beloit, Wis.

Further, it has been acknowledged that nursing homes were informed prior to inspections by the Illinois Department of Mental Health. That is a serious shortcoming that should be investigated.

Coupled with the lack of proper inspection was an absence of state standards and directives, two factors that appear to have contributed to the deaths of an alarming number of patients and untold misery for many others.

The public tends to indifference when it comes to the housing and treatment of the mentally retarded but we doubt that it will tolerate the deadly mix of politics and care-for-profit that constitutes the present system.

Lake County's representatives in Springfield have been alerted to a frightening trend in caring for the mentally retarded and we think it is time they demand an all-out investigation. To this point they have commented only feebly, or not at all. U.S. Sen. Charles Percy has responded to the disclosures but we have heard little from Sen. Adlai Stevenson or U.S. Reps. Robert McClory or Philip M. Crane.

State and federal legislators should need no reminder they share a responsibility for the mentally retarded looked after with state and federal funds.

IDAHO'S HUMANE POTATO PROTEST

Mr. CHURCH. Mr. President, I am proud of Idaho's potato farmers. The price of their celebrated product has declined to less than it costs to produce it. Obviously, that cannot go on for long. The potato farmers have been trying for some time now to gain attention to their plight. They made the reasonable and humane request that the administration include potato products in American food aid programs. Senator McCLURE and I have cosponsored a resolution urging that course. It is a course that would dispose of some of the present glut of potatoes, thereby stimulating the depressed potato market, and at the same time help hungry people around the world.

So far, the plea has fallen on deaf ears. Consequently, the farmers of Idaho were compelled to find a way to dramatize their plight. There were suggestions of a massive potato burn. But the farmers were more responsible than that. They devised a method of helping themselves while helping others. They gave their potatoes to the poor—100,000 pounds were distributed over a 2-day period at Boise and Salt Lake City.

Mr. President, at a time when violent protest is all too common, I believe this act of generous protest deserves wider attention. Consequently, I ask unanimous consent that a report on the Idaho potato giveaway, published in the April 3 Fremont Chronicle-News of St. Anthony, Idaho, be printed in the RECORD.

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

REMINGTON SAYS GIVE-AWAYS ARE SUCCESSFUL

"I was surprised to learn there are so many needy people," said Kent Remington, St. Anthony, following the potato give-away last weekend in Boise and Salt Lake City.

During the 2-day give-away, over 100,000 lb. of potatoes were distributed in protest of low potato prices and lack of government concern over the economic plight of Idaho potato growers.

Area potato growers had earlier voted to stage a massive potato burn to emphasize their problem. However, at the request of Gov. Cecil D. Andrus, the growers decided to give the surplus potatoes away rather than destroy them.

The potato burn had been set for Saturday, March 29, at Shelley.

Mr. Remington, a leader in the protest movement, said he was glad that the potato producers had given the potatoes to the needy.

He said the give-away had been an "eye opener" into the economic situations of many people in the Boise and Salt Lake areas.

He also said he felt the give-away had been successful in demonstrating the problems of the growers as well as providing food for the needy. He indicated many minority groups and senior citizens were on hand to receive the potatoes.

The give-aways were staged in front of the capitol building at Boise and at the Metropolitan Hall of Justice at Salt Lake City.

The protest cost area farmers between $2,000 to $3,000 for transportation and grading of the potatoes, Mr. Remington said.

About 25 farmers in the St. Anthony, Rexburg and Roberts areas donated the potatoes, and other growers donated money for the grading and gasoline for the trucks.

Mr. Remington said Idaho potato growers may continue their protest movement by taking their product into California for additional give-aways.

However, he said, such a protest "is still just talk."

Various groups in California and other states have contacted Idaho protesters requesting potatoes. A group in California has pledged financial support for bringing the potatoes into the Watts area at Los Angeles.

During the give-away last Friday in Boise, Gov. Andrus met with Mr. Remington and Del Ray Holm of Roberts, another of the leaders of the protest action and commended the farmers on their give-away.

Gov. Andrus, who is in sympathy with the potato growers, and has asked for government assistance in sending the Idaho product to needy nations, told the farmers he was pleased they had chosen the give-away as an alternative.

The proposed burning action came as a result of the Ford Administration's rejection of a plea made by Gov. Andrus to ship $50 million worth of processed potatoes out of the United States to starving people in Asia and Africa to stimulate the depressed potato market.

Farmers have been receiving less than $1 per hundredweight for potatoes. A surplus of potatoes has driven the price so low that farmers are receiving about $2 a hundredweight less than it cost to produce them, officials reported.

Senators Frank Church, D-Idaho, and James A. McClure, R-Idaho, have co-sponsored a resolution calling for the use of potato products in American food aid programs.

In a joint statement released earlier this week, the senators said, "Potato farmers across the country are faced with large surpluses which have dramatically reduced prices and seriously threatened the economic stability of the entire industry from producer to processor."

The resolution asked the Department of Agriculture to institute an expanded Food for Peace Program to include dehydrated potatoes and add potato products as an aid commodity for current domestic food assistance programs.

Sen. McClure said, "By indulging potatoes in our food aid programs we will be able to provide large amounts of desperately needed staple for the hungry abroad without creating a shortage at home."

Senator Church called the program a "sensible approach. Distribution of these surplus quantities of potatoes could benefit not only needy persons, but also assist the depressed potato industry."

JOHN A. DERR

Mr. MATHIAS. Mr. President, one of Maryland's most distinguished citizens, John A. Derr, died March 14. He was, in the words of an editorial the next day in the Frederick News-Post, "one of the giants of local politics, government and civic work in the past quarter century." Mr. Derr's contributions to the city of Frederick, to Frederick County and to the State of Maryland are measured in terms of a lifetime devoted to public causes and the public interest. His career was enhanced by his own deep personal commitment to his public work. He was a governmental and political leader, a public servant, and a friend, and all who knew him shall miss him. Mr. President, I ask unanimous consent that the editorial tribute to Mr. Derr that was published March 15 in the Frederick News-Post be printed in the RECORD.

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

JOHN A. DERR

The community of Frederick City and Frederick County was stunned Friday afternoon when word spread of the unexpected death of Mr. John A. Derr—one of the giants of local politics, government and civic work in the past quarter century.

Mr. Derr suffered a fatal heart attack outside his Rosemont Avenue home about 2 p.m., and was pronounced dead at the scene.

Funeral arrangements are under the direction of Smith, Fadeley, Keeney and Basford Funeral Home and will be announced later. Services are scheduled for 11 a.m. Tuesday, March 18, at the Church of the Brethren.

Mr. Derr had served the people of Frederick, Frederick County and Maryland in the positions of deputy clerk of the Circuit Court, Mayor, member of the House of Delegates, State Senator, and County Commissioner, and came under heavy consideration as a candidate for governor to succeed the late Theodore R. McKeldin. He also led the State Republican ticket in 1958 when he sought the office of Maryland Comptroller.

John Derr was active in many civic endeavors, headed both Red Cross and Community Chest (now United Givers Fund) campaigns, and was an active leader in the Church of the Brethren. A. 1929 graduate of Frederick High School, he received a degree at the Brethren Bridgewater College, Va., in 1934, attended the University of Baltimore and New York University.

Mr. Derr was the son of John C. and Laura E. Derr of Monrovia, and was born Aug. 2, 1910, in Ballenger District. He was married to Olive B. Brandenburg and they had one daughter, Sanra Faye Trout.

Mr. Derr served in the Coast Guard during World War II from June 4, 1942, to October, 1945. He studied law at New York University after the war and completed various law courses at the University of Baltimore.

In 1936 he attained his first public office as deputy clerk of the Circuit Court, a position he held 10 years, for seven until he went to the service in 1942, and from 1945–47. In 1947 he began his long business association with the T. Edgie Russell contracting and

general construction firm of Frederick in public relations.

From 1950 to 1954 Mr. Derr was chairman of the Republican State Central Committee of Frederick County, and after that became chairman of the Sixth Congressional District Republican Committee, comprising all of Western Maryland.

In 1953, emerging as an able political leader and legislative mind, John Derr was appointed by Gov. McKeldin to fill a vacancy in the House of Delegates from Frederick County created by the resignation of Horace M. (Buck) Alexander to become Sheriff. He served out that term, then ran successfully for Mayor of Frederick in 1954.

In 1958 he sought the seat of Comptroller against the popular Louis L. Goldstein and a heavy Democratic majority. Although unsuccessful, he garnered the largest vote of any Republican on the state-wide ticket.

Four years later he was successful in his election bid for the State Senate, where he served four years until 1966 when he was elected again as mayor of Frederick. Four years later he was elected to the Board of County Commissioners, was then named as its president, and chose not to run for re-election in the recent elections, stating he had served 25 years, long enough for any man.

Mr. Derr's leadership brought many improvements to city and county, and the modernization and expansion of Frederick Airport was among these accomplishments.

He was a member of the American Legion Post 11, Amvets Post 2, the Elks, Moose, and was a member of the Board of Trustees of Bridgewater College and the Frederick Church of the Brethren.

Regardless of his office, John Derr's constituents always knew where he stood. He was for the Sixes Bridge Dam; against gun controls. He felt housing was Frederick's No. 1 problem and was instrumental in the construction of Catoctin View Apartments. He was concerned about solid waste disposal and developed a plan for a low-pollution incinerator for the city to reduce the amount of solid waste substantially to prolong the life of the landfill.

A hard-working mayor, Mr. Derr said it was one of the better rewards of the office to be able to work with all the groups in the city by signing proclamations to help them succeed in their community service projects designed to make living in the city better.

His rise in Republican politics was significant and one of his major assignments was as chairman of the county's committee for the election of Nixon-Agnew ticket in 1968.

During his second term as mayor, in July of 1969 during a lengthy youth program in Baker Park, Mayor Derr was stricken and collapsed. But he bounded back and completed his term with vigor, then served a full term as county commissioner. Upon his retirement from active politics he alluded to his good health and desire to enjoy it after leaving politics.

One of his final participations was as toastmaster for last year's annual Republican banquet at Peter Pan Inn, when Rep. Barry Goldwater, Jr., was the speaker. When introduced, Mr. Derr was given a rousing ovation, and was commended for directing an outstanding program.

John A. Derr has made lasting contributions to his community, his county and his state. He will forever be in the memory of the people he served.

CHIEF JUDGE BAZELON EXAMINES THE FIRST AMENDMENT

Mr. PROXMIRE. Mr. President, last Saturday evening at the Duke University School of Law in Durham, N.C., Chief Judge David L. Bazelon, of the U.S. Court of Appeals for the District of Columbia, gave an address entitled, "FCC Regulation of the Telecommunications Press."

This address presents one of the best arguments I have ever read for getting the Government out of the business of controlling program content, because of the violence that regulation does to the first amendment.

The Government regulates broadcast content, of course, through the Federal Communications Commission's fairness doctrine—which says opposing viewpoints on controversial public issues must get some air time—and through the equal-time rule, which requires that all candidates for the same political office get the exact same air time if one candidate receives it.

The so-called fairness doctrine, however, is the day-in, day-out control that has changed the character of broadcast journalism.

In a single sentence, Judge Bazelon explains what is wrong with the fairness doctrine:

A government which can dictate what is "fair" reporting can control information to the public in a manner which subverts self-government into a tyranny managed by propaganda.

It is significant that Judge Bazelon began his speech with a quotation from the Watergate tapes, the quote in which then President Nixon says the Washington Post "is going to have damnable, damnable problems" in getting renewals for its television licenses.

The chief judge's speech was written before the revelation by Fred W. Friendly of the Kennedy and Johnson administrations' use of the fairness doctrine to counter broadcast comments by political opponents, and of Mr. Friendly's disclosure that the landmark fairness doctrine decision in the Red Lion Broadcasting case was tainted.

Read in that context, Judge Bazelon's address takes on even greater meaning.

Although the judge's analysis of the controls on broadcasting are incisive and well argued, I do have a major disagreement with his address. I disagree with his proposed remedies for increasing competition in the broadcast field, not so much because of their substance, but because they skirt the constitutional question.

He is right, of course, that—

More competition producing programming will increase the multitude of tongues, and our First Amendment faith holds that the multitude of tongues unrestricted in speech will produce more diversity of ideas than if the government chooses who will speak and on what subjects.

But Judge Bazelon would achieve that greater competition through four strategies, none of which includes repeal of the offending sections of the Communications Act.

In mentioning my reservations, I do not wish to detract in any way from the brilliant analysis Judge Bazelon has provided of the first amendment and its application to broadcasting. As chief judge of the District of Columbia Circuit, Judge Bazelon plays a major role on the court that has appeal jurisdiction in FCC cases. In recent dissenting opinions he has questioned the validity of certain aspects of FCC control of broadcasting. I have referred to some those opinions in past speeches on this floor.

In light of his position in the judiciary and his background in deciding communications cases, Judge Bazelon's Duke address is of vital importance to the field of free speech and free press as applied to broadcast journalism.

Mr. President, for that reason, I ask unanimous consent that the text of his address be printed in the RECORD.

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

FCC REGULATION OF THE TELECOMMUNICATIONS PRESS

(By David L. Bazelon)

Taped Statement of Richard Nixon to H. R. Haldeman and John Dean, Sept. 15, 1970: "The main, main thing is The Post is going to have damnable, damnable problems out of this one. They have a television station. . . . And they're going to have to get it renewed."

This statement is indicative, albeit an unusual example, of the First Amendment problems raised by a comprehensive system for the licensing of speakers. Individuals who must obtain permission to engage in activity protected by the First Amendment are vulnerable to the various sub silentio pressures that prior approval permits and which Richard Nixon threatens in the statement quoted above. They may, therefore, find it easier to tailor their views to the wishes of the licensor rather than risk its displeasure. The manner in which the licensor conveys its wishes or exercises pressure on the speaker under a comprehensive licensing scheme often is disguised in an apparently noncoercive action, which might seem innocuous to others, not subject to the licensing scheme. Control of these pressures is thus particularly difficult. The motivation for communicating pressure may involve the rather crass political concerns voiced by Richard Nixon in the statement quoted above. This motivation may range from racial discrimination to a laudable desire to upgrade the quality of the particular speech involved. But under the First Amendment, the licensor's motivation should be irrelevant: the exercise of power over speech leads the government knee-deep into regulation of expression. And that, we have always assumed, is forbidden by the First Amendment. The Supreme Court has so held, time and again.

But traditional assumptions do not apply to the regulation of telecommunications speech. The licensing scheme mandated by the Federal Communications Act permits a wide-ranging and largely uncontrolled administrative discretion in the review of telecommunications programming. That discretion has been used, as we might expect and as traditional First Amendment doctrine presumes, to apply sub silentio pressure against speech in the following instances: to discourage broadcast of song lyrics that allegedly promote the use of drugs, to halt radio talk shows that deal explicitly with sex, to discourage specialized or highly opinionated programming, to force networks to schedule "adult" programming after 9:00 p.m., and to restrict, through Executive Office pressure, adverse commentary on presidential speeches. The methods of communicating these pressures are by now familiar to FCC practitioners: the prominent speech by a Commissioner, the issuance of a notice of inquiry, an official statement of licensee responsibility couched in general terms but directed against specific programming, setting the licensee down for a hearing on "misrepresentations," forwarding listener complaints with requests for a formal response to the FCC, calling network execu-

tives to "meetings" in the office of the Chairman of the FCC or of some other Executive Branch officials, compelled disclosure of future programming on forms with already delineated categories, and imposing specific regulatory action on a particularly visible offender against this background. All these actions assume their in terrorem effect because of the FCC power to deny renewal of broadcast licenses or to order a hearing on the renewal application. Recently, there have been indications that the threat of antitrust or Internal Revenue Service actions has served to buttress certain "raised eyebrow" suggestions. I do not mean by a recitation of these examples to alert you to a great danger or to engage in any sort of journalistic effort to inform the public. This has been fully accomplished by persons more able than myself. My only concern is with the legal implications of these examples in the context of our traditional constitutional order.

Beyond these various forms of "raised eyebrow" regulation, the Federal Communications Act permits more overt forms of speech regulation: these include the Fairness Doctrine (encompassing also the equal time and editorial reply rules) and review of programming at license renewal and at assignment to determine whether past and proposed future programming meets the FCC's criteria of balance.

I think it is beyond cavil that we would not tolerate this sort of regulation in any context other than telecommunications; the First Amendment would forbid it. But somehow telecommunications speech is different and permit, many think, a different First Amendment regime. I seek here to raise questions about this assumption through an exploration of the justifications generally offered to support this different First Amendment regime for telecommunications speech. After exploring those justifications, I will offer some alternative strategies for reforming telecommunications regulation in a manner which both eliminates present intrusion into protected speech and forwards the First Amendment interest in the diversity of ideas.

I. HISTORICAL JUSTIFICATION FOR FCC REGULATION OF THE TELECOMMUNICATIONS PRESS

A

The main factor in my mind that explains the different First Amendment regime applied to TV and radio is the lack of genuine journalistic effort in the beginning of telecommunications news. Radio and TV news at first was not considered a source of serious journalism; it was, many thought with justification, simply a rebroadcast of information and opinions obtained from the printed media. The main function of radio and TV was entertainment, and entertaiment programming was not considered at the core of the First Amendment scheme. Indeed, for a short time the FCC declared that the licensees should not "editorialize." The Commission later rejected this rule but only in favor of the Fairness Doctrine, which is today the most overt form of program regulation in which the FCC engages. The image one gets, looking backward, is that the radio or TV licensee was a mere conduit of news, a common carrier of sorts, and not the independent journalistic institution which the First Amendment protects as the "press."

But if this image were ever true, it surely is not true today. Independent TV and radio news and opinion teams are the main sources of information for the American people. If they have not completely overshadowed the printed media in areas such as investigative reporting, it is not because they are mere conduits. TV and radio journalism is now an independent press surely within the intendment of the First Amendment.

The fact that the telecommunications industry still relies heavily on entertainment programming does not mean it is any less a part of the independent journalistic institution the First Amendment protects. First, entertainment programming is protected speech, and, as an individual speaker, the licensee is entitled to First Amendment protection. Second, there is no reason why the press clause of the First Amendment refers only to the political press. We do not need Professor Charles Reich to tell us that music, fiction and art occupy a status in the "marketplace of ideas" completely equal to political opinion. While it may have been once true that TV was not the source of high-quality entertainment programming deserving of full First Amendment protection, it surely is no longer true. A different First Amendment regime cannot be justified on that basis.

B

Another factor which has gained prominence in recent years may explain the continuing vitality of the special First Amendment regime for telecommunications. This is the particularly powerful nature of telecommunications as a medium for speech. TV and radio offer access to immense numbers of listeners with at least part of the immediacy of person-to-person communications. This all-pervasive immediate form of press commentary gives tremendous leverage to speakers who have access to it. And for that reason, there is great pressure to expand the number of voices which have this access.

It is simply impossible to exaggerate the impact of TV in particular on our lives and the lives of our children. It is often said, but nonetheless worthy of repetition, that TV has altered our consciousness, our manner of relating to other people and the world, our decisions about the expenditure of our wealth and the use of our leisure time. It has both broadened and numbed our experiences with persons and events outside our normal range of acquaintance. TV is an acculturizer—even more so than public schools—and thus has an immense but largely unascertainable impact on the motivations and beliefs of our children. TV has so reordered our lives that we do not yet recognize the change. And the change was wrought almost inadvertently: nobody expected it, nobody forsaw the effect, and the people as a whole did not make a democratic choice to embrace it. But it is here to stay, and its power has led many individuals to question the validity of the traditional First Amendment regime.

One might profitably compare the impact of television on human perception, learning and communication with the discovery of atomic power and with recent developments in our understanding of human genetic structure, control of the brain and human biology in general. These three Twentieth Century revolutions in our knowledge and control of ourselves and the environment in which we live are awesome, at once bringing great promises and great perils. Rational evaluation of their growth is made difficult by the speed with which these developments have come upon us. Perhaps human kind has experienced such world-shattering developments in previous centuries. But in no other century have so many such developments come upon us so quickly and with such devastating impact.

What follows from a recognition of the immense power of TV (and, to a lesser extent, radio) speech? We may assume that nothing in the First Amendment prohibits a reasonable regulation of the time, place and manner of speech in order to ensure that all speakers may be heard. And we might further assume that marginally protected speech which significantly impinges upon individual privacy may be forbidden consistent with the First Amendment. But it is something else again to suggest that the force of a particular mode of speech in and of itself permits a generalized regulation of speech. To some extent, TV viewing is involuntary and thus privacy interests are involved which may justify some regulation of TV speech. But this involuntary aspect should not be exaggerated to justify the assumption that all TV programming is an invasion of privacy which can be regulated. In the final analysis, the assumption that the power of the telecommunications press justifies regulation strikes at the root of the first Amendment's guarantee of an independent journalistic institution: this assumption argues instead that the press is too powerful to be free. But it is important to distinguish between the power gained by oligopoly in the production of news and entertainment programming for radio and TV and the power inherent in the medium, I suspect that the former is the real concern, and I stress it later. The latter form of power may be amenable to regulation to the extent, and only to the extent, that the power itself causes a cognizable injury which we might deem worthy of suppression. A helpful analogy would be to the on the use of bull horns. But to regulate on the basis of the content of the speech because of the added power given by a particular medium of communication seems to me a wholly different proposition which, if justifiable at all, cannot be defended on the basis of the particular power of the medium alone.

C

A third factor leading to a different First Amendment regime for telecommunications, a factor which has emerged as the most widely-accepted justification today, is the scarcity of telecommunications outlets and thus the scarcity of broadcast speakers. The initial source of this scarcity was the concept of a license which in turn was caused by a limitation on the number of broadcast frequencies. Thus, as a permissible regulation of the manner of speech designed to permit all speakers to be heard, the government must allocate frequencies in order to avoid destructive interference. But the key to scarcity is the limited number of frequencies and not the mere existence of licensing, and it may be doubted whether today there is a scarcity of broadcast frequencies. The emergence of cable TV, perfection of UHF technology and more efficient usage of the VHF broadcast spectrum promise an end to scarcity of broadcast frequencies. Even if one focuses only on broadcast TV, present figures indicate that a great portion of the UHF band is not presently in use. Of course, UHF and cable are not sufficiently developed to be an effective alternative to VHF at present. But their possibility of development do suggest that physical limitations on the number of frequencies are not that severe.

In 1969 the Supreme Court in Red Lion Broadcasting Co. v. FCC found that scarcity was then still a reality. However, the figures discussed in Red Lion are not necessarily probative in this regard and, indeed, demonstrate a confusion inherent in discussions of scarcity. The only conclusion the figures utilized in Red Lion indicate is that the VHF television channels with high market penetration are completely filled. Thus the scarcity lies in this—there are very few VHF television channels linked to a nationwide network with good market penetration. This scarcity, it will be noted, is not premised on a limited number of frequencies per se. Otherwise, Red Lion relies only on the past—the fact that the original justification for regulation was the problem of scarcity and the resulting interference.

And this leads to a more troubling question, because all economic resources are scarce. When we say there is a scarcity of frequencies, to what are we comparing this scarcity? In other words, what is the contrasting "multitude" that is the implicit premise of discussions of scarcity? Broadcast frequencies are scarce in relation to what? Consider the following figures: as of December 31, 1974, there were 7,785 radio stations on the air and 952 TV stations, serving nearly

every part of the country. As of January 1, 1971, daily newspapers totalled only 1,749. And the broadcast spectrum is still not completely filled. How is there a "scarcity" of broadcast frequencies? How many do we think could realistically be filled considering the capital market for broadcast facilities? Even if the previously stated figures seem "scarce" by some unknown standard, the potential of cable television is so enormous that it alone could, if properly developed, outnumber newspapers. "Scarcity," indeed!

Of course, the number of non-daily newspapers and periodicals, as well as book sales, has increased regularly in recent years. Professor Emerson is thus led to suggest that the real comparison is not between the number of daily newspapers and the number of radio and TV stations, but between the number of printing presses and the number of broadcast frequencies. This comparison of "theoretical" scarcity, if it may be so named, does produce a conceptual limitation on telecommunications not present in regard to the printed media. However, this conceptual limitation is really of no serious significance now that cable TV produces a "theoretical" expansion of the broadcast frequencies that must certainly parallel the "theoretical" number of printing presses for any realistic purpose we might impute to communications policy. Furthermore, most discussions of scarcity of broadcast frequencies really are premised on an "effective" scarcity and, if newspapers and the telecommunications press are to be compared, we must look also the "effective" scarcity of newspapers, which leads inexorably to a comparison between the number of daily newspapers and the number of radio and TV stations.

So, looking only to the "effective" scarcity that Red Lion proved, it is clear that this is a scarcity that is not really a product of the Federal Communications Act or the forces that gave impetus to that Act. Rather, it is a result of government policies which have permitted the development of VHF television prior to perfection of technology for cable and UHF to the commercial detriment of the latter. Even though the government is somewhat responsible for the dominance of the limited number of VHF licensees, the Failing Newspaper Act and repeated antitrust division approval of mergers of newspapers have implicated the government in the scarcity of high circulation newspapers in major markets. But that fact was apparently not enough to institute a new First Amendment regime for newspapers.

I suggested in a dissenting opinion in 1972 that the FCC reconsider the concept of scarcity to determine whether its vitality continues undiminished in light of recent technological developments. While the FCC has recently purported to accept my invitation, one may certainly question whether its effort was an in depth re-evaluation of the concept of scarcity.

More than this, what is the relation of scarcity to regulation of speech? The suggestion of Red Lion is that regulation is necessary to encourage a diversity of ideas. Thus, scarcity is apparently a problem in need of regulation because it produces less diversity. But there is no evidence that in all the various media of communication there is a deficiency of diversity. Rather the argument is that there is a deficiency in ideas communicated through the telecommunications media. This suggests that the problem is not scarcity of frequencies but rather the particularly powerful nature of TV communication. Indeed, there may well be a scarcity of political pamphleteers in the nation, but we would hardly think that was cause for regulating the ones that exist. Nor would we think to worry about the diversity of ideas presented by the pamphleteers that exist. So the key to the scarcity argument is that TV produces greater access to an audience than other modes of communication, and thus it can be regulated to ensure a diversity of ideas in that medium alone. But this argument is seemingly rejected by the promulgation of the First Amendment, since newspapers have a far greater access than other speakers to a audience; this fact is inherent in the concept of a "press" which is distinct from ordinary speakers, and we are back again to the point suggested above—if the press is too powerful to be free, do we not need a constitutional amendment to alter the scheme established by the First Amendment?

Another problem with the concept of scarcity is that we are left with no understanding of what program or speech regulation is permissible. One could argue all speech is unprotected because of scarcity, but the "diversity of ideas" justification for the use of the scarcity argument indicates that only nondiverse speech may be proscribed in favor of diverse speech. But FCC doctrine makes no such inquiry. Rather, it regulates in favor of diversity within the licensee's own programming and not in terms of the diversity in the viewing market as a whole. Thus the regulation supposedly justified by the scarcity argument extends well beyond the actual bounds of the real justification. One may ask whether this is an overbroad regulation of protected activity.

D

There is one final factor which probably has not served as an historical justification for a different First Amendment regime but is by far the most promising candidate for the future and has as among its proponents the true aficionado of regulation. This is a factor of infinite subtlety and causes me the most concern. The economics of broadcast TV require that programming be directed to a mass audience in order to insure a sufficient viewing audience (and hence sufficient advertising revenues) to finance the operation. Limited or specialized appeal programming will not sell enough advertising to be economically viable. There are two important corollaries to this point. First, producers of programming must be insured of large-scale distribution of their programs in order to make a profit. The difficulties in obtaining that distribution through individual dealings with licensees led to the use of the three networks and a few large-scale entertainment corporations such as Westinghouse and MCA as brokers in the placement of programming both with advertisers and with the licensees. This development in turn led to the now well publicized "network domination" of production and placement of programming. Second, news and public affairs programming does not attract as large an audience as entertainment programming. This sort of programming is thus a perennial loss leader and arguably without FCC intervention to insist upon it, a requirement found in the Fairness Doctrine, licensees might just do away with it. Network evening news is apparently an exception to this economic premise of broadcasting.

This concern with the economics of TV programming leads us into the most difficult quagmire of all: since the telecommunications press is a business and, thus, its decisions are "business" decisions in large part, does the First Amendment, which is concerned with journalistic judgment, protect these business judgments? Or put another way, should programming, news or otherwise, which is generated by a purely economic appraisal of the viewing "market" be enshrined as the sort of public discussion protected by the First Amendment? I have no problem conceptually with a "no" answer to these questions. The First Amendment does not sanctify the process of making money through titillating speech, and it does not protect economic propaganda of whatever form. Furthermore, the networks and the licensees have demonstrated a tremendous capacity to ignore the public interest when their private economic interests are at stake. Perhaps the most graphic examples are the failure to give any news coverage to the license renewal bill that Representative Staggers did us the courtesy of killing last session of the Congress and the failure to provide balanced coverage of the debate over pay TV. There is the depressing but nonetheless illustrative comment of Senator John Pastore of Rhode Island, Chairman of the Senate Subcommittee on Telecommunications, who, upon observing TV cameras at his hearings into violence on TV, stated as I paraphrase: "I don't know why they bring those cameras here; I know the networks don't intend to show a single second of what goes on here." And, of course, he was right. Nothing substantial was run on the hearings. The networks just do not report what they feel is injurious to their economic interests. Douglass Cater once quoted to me a remark by a candid network executive to the effect that if a broadcaster had to choose between the license renewal bill or abolition of the Fairness Doctrine, the broadcaster would choose the renewal bill and forego their First Amendment rights. We should expect nothing else from corporations which hire as their top executives not journalists, not even professional broadcasters, but successful businessmen. And we should also expect that every business decision will be defended as an exercise of journalistic discretion protected by the First Amendment when not one gram of journalistic discretion is involved.

Perhaps more important than these particular incidents of the promotion of economic self-interest to the derogation of the public interest is the existence of a network-imposed licensing scheme upon its own journalists. While this network censorship is even broader than that imposed by the FCC, it operates in a very similar fashion. I am informed that reporters from at least one network and from some major newspapers have a clause similar to the following in their contracts:

Exclusivity

Artist recognizes that the employment hereunder is a full-time employment and that Artist's other activities must be such as never to cast doubt on the fairness or objectivity of [network] or reflect unfavorably upon Artist or Producer. Accordingly,

(a) From the date hereof, Artist will render services exclusively to and for Producer and Artist will not render any services to others, or on Artist's own behalf, directly or indirectly, in any capacity or media whatsoever (including without limitation granting rights to use Artist's name or likeness or both, or to use any performance or other services which Artist rendered for others prior to this agreement). . . .

Like many FCC policies, this clause appears unobjectionable on its face. In operation, however, it can be used to prevent network reporters from disclosing news items which they have uncovered but which the network has decided not to report. For the reporter to disclose such items would seemingly violate this "exclusive services" clause. There are certainly many legitimate business reasons for such clauses, but the possibility of abuse is also manifest. One must consider whether such clauses, when administered to prevent a reporter from disclosing newsworthy information without economic gain to himself—or herself—are contrary to public policy represented by the First Amendment and hence unenforceable. But even if this were settled, the "chilling effect" of such clauses surely maintains the networks monopoly on the sources as well as the actual reporting of news, and thus the network may prevent the reporting of information it considers damaging to its economic or other interests. Upon an examination of these clauses,

we confront the following dilemma: an enterprise whose lifeblood is freedom of expression seeks to limit the personal freedom of expression of its employees.

But I am more than a little concerned with how the distinction between programming motivated by true journalistic integrity and programming motivated by crass economic desires can be judicially or administratively maintained without a terrible "chilling effect" on the journalists. Perhaps some of the "chilling effect" might be reduced by carefully and narrowly drawn rules designed to prevent a complete surrender of journalists' integrity to entrepreneurial attitudes of both network reporters and executives. Certainly a complete failure to operate as a journalistic institution would take a licensee out of the protection of the First Amendment and would arguably be grounds for denial of a broadcasting license under the Federal Communications Act. After all, it is clear that Congress intended that licensees be given air space to be journalists and not simply to sell products. But the difficulties of weeding out journalistic efforts from commercial pap are so severe that in the normal case, the distinction is not manageable. And this fact is one reason why the First Amendment commands the government to stay out of the regulation of speech.

II. THE PURPOSE OF THE FREE PRESS GUARANTEE

When all these justifications are shaken down, I at least am left with the impression that they all demonstrate mostly the fragility of our First Amendment traditions. Somehow we do not really think that the press should be free; they are too powerful, they are arbitrary, they are self-serving. If the subject were a discussion of the mistakes, bad judgment and excessive commercialism of the press—both printed and electronic—I would have much to say against the press. I have said before and I repeat it now that the press has abused its tremendous power, particularly the power of TV, largely for its own private profit, at the expenses of the public interest. But I do not personally believe in the efficacy of, nor do I think the First Amendment permits, government intervention to cure those abuses. Is this belief a mere relic of happier times when the press was not so powerful or so arrogant? I do not think so. I think the First Amendment retains its vitality and speaks a wisdom relevant to concerns we recognize today. But I think its truly practical wisdom needs reaffirming and in the process of this reaffirmation, I think we can better understand why the Framers felt so strongly about an independent journalistic institution. There is no better beginning point than the activities of the administration of Richard Nixon. I refer to a memorandum from Charles Colson to H. R. Haldeman describing a meeting between Colson and various network executives in which the Administration complained of alleged "unfairness" in network reporting of Presidential actions.

There is, to be sure, more than a little bit of self-serving in Mr. Colson's description of the meeting. But even so, the point is clear enough: Richard Nixon's assistants were enforcing a "Fairness Doctrine," a doctrine which, to paraphrase Red Lion, forces the licensees through the networks to share their frequencies with Richard Nixon. Of course, there is no reason why this doctrine should be limited to Richard Nixon; it could be extended to the NAACP or the American Civil Liberties Union or Duke University. The result, however, is always the same. By forcing the press to share its space, its medium, with persons of the government's choosing, we are restricting the journalistic discretion which it is the purpose of the First Amendment to protect. If one group has a right of access or a right to have the licensee present that group's point of view, there is no independent press; there is only a multitude of speakers. That might be permissible if the First Amendment protected only free speech. However, it also protects the press. It might perhaps be feasible for the licensee to set aside an hour or so of air time of the licenseee's own choice during the day for various speakers to present their points of view, or to require the licensee to sell advertising time without discrimination on the basis of the content of the proposed message. In this case, one could argue with more force that the independent journalistic discretion protected by the First Amendment is not contravened. But to require that a licensee be "fair" in presenting opinionated programming, or present a reasonable "balance" of programming as defined by a government agency, or not offer programs which a majority of listeners do not want to hear, nullifies that journalistic discretion which the Framers thought indispensable to our constitutional order.

The excerpt from the Colson memorandum amply demonstrates the reason why the Framers thought this independent journalistic discretion so important. If the government may eliminate this discretion, it has a much greater control over the information the people receive about their government and the views of their fellow citizens. As Alexander Meiklejohn has so persuasively argued, the free flow of this information is absolutely essential to self-government, to democracy. A government which can dictate what is "fair" reporting can control information to the public in a manner which subverts self-government into a tyranny managed by propaganda. Some think that we were not so far away from that state of affairs in recent years. The press must be free to tell the truth as it sees it, to criticize the government, to denounce politicians and judges, and to publish opinions.

Truth and fairness have a too uncertain quality to permit the government to define them. Certainly it is not fair to print that which you believe to be misleading, uninformative, irrational, or so lacking in factual justification as to be close to a pure falsehood. It is not fair to regard as "objective" news, the propaganda of an incumbent politician. It is not "fair" to require the licensee to present a balance of only those views which the government considers "significant," regardless of the licensee's view. In sum, in order to determine what the "other side" is, one has to have an objective concept of truth against which to compare the challenged speech. And who in this country is in possession of this objective concept of truth?

III. ALTERNATIVE STRATEGIES TO REMEDY PRESENT FAILURE IN TELECOMMUNICATONS REGULATION

I do not mean by the foregoing to imply that I am satisfied with the performance of either the broadcast or the printed press. The many concerns voiced about the excessive power and meager commitment to the public interest which the private press have demonstrated are not without merit. My project so far has been to indicate that the solutions relied upon at present may be unwise and contrary to our constitutional traditions. I very much believe that there are other solutions which are not only consistent with these traditions but which can be more effective in achieving the goals which many concerned citizens thought could be achieved by program regulation.

Before outlining these solutions, I think it important to state exactly what I believe to be the major problem in the broadcast media. This problem is not "scarcity," as that term has come to be defined in First Amendment jurisprudence, but rather simple, old-fashioned concentration of economic power and ownership of TV facilities. The situation would be bad enough if we considered only the actual licensees. But the major concentration is caused by the dominance of the networks in the programming field. The dominance of the networks makes enforcement of diversification of ownership policies an insufficient effort to deal with the concentration of economic power in TV programming. These policies would include the comparative diversification guides, stiff cross-ownership rules, further restriction of the group ownership rules, elimination of trafficking in licenses and retroactive enforcement of these policies. The major project for reform, then, must be an increase in programming competition. This increase in programming competition, it should be noted, attempts to deal directly with the central evil that concentration allegedly creates—a lack of diversity of ideas. More competition producing programming will increase the multitude of tongues, and our First Amendment faith holds that the multitude of tongues unrestricted in speech will produce more diversity of ideas than if the government chooses who will speak and on what subjects. Actions designed to increase competition within the press and thereby to decentralize power are consistent with the First Amendment, and the Supreme Court has so held.

A

The first strategy to increase competition in the telecommunications broadcast field is to reform the FCC itself. Mr. Henry Geller, former General Counsel of the FCC and an informed critic of the Commission's policy, has stated that the "root cause of dissatisfaction" with the FCC is its "overidentification with the industries regulated" as against the interests of "new emerging facets or technologies." He is not alone in this assessment. There can be no promulgation or effective enforcement of policies designed to increase competition in programming unless we have an FCC which is not beholden to the vested interests of the VHF licensees. Mr. Geller makes what he terms a "modest" proposal that the number of Commissioners be limited to five, that they be given one fifteen-year term with no possibility for reappointment and that they be prohibited from employment in the communications field for ten years after completion of their terms. I am not entirely convinced by this proposal but it, or something like it, must be done to change the atmosphere at the FCC.

B

Assuming that this first strategy is successful, a further strategy—increasing private competition in the production and placement of programming—comes to mind. Several measures may be taken in this regard. The first step is to limit the networks' ability to sell blocks of programming to the licensees and to increase the feasibility of new networks. Second, the Commission should act to encourage the development of cable, in both pay and nonpay forms, and the further development of UHF. Part of the way to upgrade UHF might be to permit present UHF licensees to challenge VHF licensees for lucrative VHF channels, with a comparative advantage to a promising UHF applicant, or a return to de-intermixture. The ultimate aim must be to equalize as much as possible the economic potential of the various bands of TV broadcasting. The broadcast industry is sure to fight these two suggestions tooth and nail. The industry was successful in crippling UHF development in the 1950's and today is battling to prevent pay cable from achieving economic self-sufficiency. As with earlier industry efforts to restrict the competitive position of cable through local origination requirements, the issues are not simple. Creating more competition for advertising dollars might reduce the amount of genuine journalistic and artistic commitment that exists today. It might create only a commercial monster larger than that now extant, resulting in the telecasting of more commercial pabulum and not the production of serious TV. We just do not know. The wisdom of the First Amendment is, however, that a multitude of tongues will produce the

diversity of ideas and artistic achievement we all desire. In the absence of knowledge gained from experience with greater competition, I would follow this wisdom for the present.

C

A third strategy was suggested many years ago by Max Lerner—it is to create a "yardstick" public broadcasting company to compete with VHF licensees and the networks. This idea has to some extent been consummated by the public broadcasting or noncommercial stations now in existence. But more should be done. First, these stations should have access to the VHF band, since now they are almost entirely relegated to the less powerful UHF bands. Second, there should be provision for common carrier public stations or common carrier time periods on regular public stations, to which access may be had by lottery or through bidding. This concept has already been applied to a limited extent in the cable TV regulations. Third, public TV should take a more active role in producing programming. This requires either more government funds or a limited form of pay television. But it can be done, and if it is, there is the promise of a new outlet for creative and diverse programming.

D

A fourth strategy would be to directly attack the economics of TV programming and the institutional structure which creates that economic reality. The most obvious effort would be to increase the viability of minority taste programming by introducing some form of subscriber TV service. At present, programming is paid for only by advertisers, unlike the material in newspapers which is partially paid for by subscribers, and unlike movies which are wholly paid for by subscribers. The result is that the dictates of the advertisers—mass circulation—are the prime factor in evaluating the economic viability of programs. A limited form of subscriber TV would alter this situation, since at least in part the programming would be directed to those who would be willing to pay and who would most likely comprise a highly motivated, minority audience, instead of the low motivation, mass audience gained by so-called "free" TV. Government subsidy of programs for the poor might be necessary. Another line of attack would be to limit drastically the amount of commercial time which may be sold on television. This approach would of necessity reduce the dominance of advertising concerns and force programmers into a search for alternative sources of cash.

If these strategies are diligently pursued, they and others like them offer an opportunity to turn away from program regulation in all the diverse forms in which the FCC presently employs it in favor of a direct attack on the vested power of the VHF licensees and the networks. This change in policy direction is strongly supported by the First Amendment interests that are involved in program regulation. So, we would in effect be vindicating the First Amendment in two ways—by avoiding program regulation and by increasing the number of speakers in order to realize First Amendment values more fully. If these strategies I have discussed are effective, I think the FCC can confidently dismantle the entire system of program regulation it has erected in the past forty years and thereby recognize the broadcast media as true components of the American press. If these strategies are not pursued, there will continue to be pressure to impose public duties on these monopolistic entities, the networks and the licensees—pressure which will come under the guise of "fiduciary duty" or "scarcity of frequencies" or "power of the medium" but which will be essentially a traditional fear of monopoly power. I think the fear is reasonable but should be confronted on its own ground and not chased back into the hoary swamps of government regulation of speech.

VIETNAM VETERANS UNEMPLOYMENT

Mr. MATHIAS. Mr. President, I would like to call to the attention of my colleagues an article which was published in a recent edition of the Stars and Stripes, written by Timothy L. Craig, president of the National Association of Concerned Veterans.

This article, which was the text of Mr. Craig's address at the national conference of the Veterans Employment Service, sets forth in detail the special and real problems and concerns faced by the Vietnam era veterans. I personally found this a most interesting and informative article and ask unanimous consent that it be printed in the RECORD.

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

[From the Stars and Stripes—the National Tribune, Thursday, Jan. 30, 1975]

THE IMPACT OF A CHANGING ECONOMY ON THE VIETNAM ERA VETERAN

By Timothy L. Craig

It is my sincere hope that this National Conference of the Veterans Employment Service will seek to address some outstanding economic issues as these pertain to the Vietnam era veteran in particular, and the veteran in general. It would be relatively easy to interject here today a host of criticisms, based on documentation and statistical evidence, that our nation has not done its job in offering adequate opportunities and effective services to the Vietnam era veteran, or the disabled veteran, or the veteran from the various minority group backgrounds. It would not be difficult to disaggregate some of the data which has been provided to us—through ESARS, or the data of the President's Veterans Program—to show contradictory evidence that, in fact, Vietnam veterans and other veterans continue to be shortchanged. And one can point to government-sponsored studies—such as by Kirschner Associates—that the Employment Services has been particularly ineffective.

That I do not deal with such issues here today, is in part due to my desire to throw out a series of suggestions, which—I hope—will be taken seriously, and which will be taken to heart, by the participants of this panel, the conference participants, and others concerned with the needs and interests—and rights—of the Vietnam era veteran. Rather than elicit anger and frustration, I hope to enlist your encouragement. It is encouragement that we Vietnam veterans need and want. And it is encouragement that responsible federal servants need and want, although often we need criticism to make us more aware of the problems at hand. With this "positive" note, therefore, I hope you will bear with me. For if a positive approach does not work, then we are really given no options. I have an abiding faith, unfortunately too often misplaced with regard to policy-makers at the federal levels, that most of us here are committed enough to substantially improve national policies, and services.

The first question I raise is this: Are those veterans, especially those younger veterans of the Vietnam era, who need help most—the poor, the disabled, the part-time employed, the Black and Hispanic American—being effectively assisted by our federal and federally-sponsored services and benefits systems? These veterans are of course the sectors most gravely affected by the continuing economic imbalance of our nation. A reasonable conclusion is that a massive task lies ahead if we are to foster the necessary economic investment in this underdeveloped sector of our veteran population. Let us ask further, whether the JFV and ES plans are in fact doing anything new, anything which was not done one, two, three or more years ago when the state of the economy was not as bad? Are these plans really reflecting the changing economy, the worsening of economic conditions? Let me put it better yet: Can our federal government do more for the Vietnam era veteran, or the disabled, or the minority veteran, or the poorest among us? The answer is obvious. Yet, I fail to discern any mood or inclination, any upsurge of interest by policymakers, to do more. Instead, we can note that some policy-makers do not take us at our word that there are some very real and outstanding problems facing large sectors of the veteran population. Such officials appear less concerned with the economic impact on the veterans, than with the impact of the veterans on the agency budgets. Are we then really coping with the issue before us—with the impact of the changing economy on the veteran?

Let me just note that some seven million human beings are affected by our nation's veterans policies, that is seven million Vietnam era veterans. Counting these veterans' immediate family and dependents, it may very well be that some fifteen to twenty million lives are directly affected by the kind of national policy our federal government has towards the Vietnam era veteran. Each and every city, county, and state is affected. In short, the whole nation is affected. The absence of effective veterans policies, programs, services, and benefits is nothing new to the Vietnam era veteran. That condition has been with us since the war began in Southeast Asia, formally more than ten years ago. The progress that we have made since that time has been a slow and arduous one, confronting many hurdles, delays, and obstacles. The point that needs to be made clear is that even when the nation's economy was in a much better state, many of our veterans were confronted by the kind of problems which more and more sectors of our nation's constituency are currently facing.

The economic slump is nothing new to most of us. Many of our veterans have been living through a long recession, and quite a few have lived in a state of economic depression. And now, many of us who have been making a little headway, see themselves being thrown back into the very same plight with which they began upon their return to civilian life. The cost of food, services, rent, health care, and other basics has soared—making life hard indeed for many a young family. Can we call this "readjustment"? Even taxes—local, state, federal—have gone up. Everything has gone up—everything but our real incomes. And our benefit levels—they have gone up as well, but educational costs and other costs combined have more than matched the increased levels of aid. In a very real way, we Vietnam veterans have not been able to keep ahead of the game—in terms of benefits, services, or jobs.

What are we to do then? The Vietnam era veteran is part of the whole economic picture. We can reasonably conclude that if our nation's policies fail to address the economic needs of those Vietnam era veterans who need help most, then these policies are not addressing the economic interests and needs of the Vietnam era veterans. And if these do not address the Vietnam veteran question, then they are not addressing the economic issues facing the nation. For if one merely cuts out one half of a cancer from an affected patient, the patient is not necessarily cured—in fact, there will be a need for further operations. And then things will become considerably more complicated. Well, we are part and parcel of this nation's economic ills—it was not our choosing. We did not intend it. And, quite clearly, when the country's economy was much healthier, we

Vietnam veterans already were faced by the ills. It is my firm belief, that if the nation had taken a much closer look at the implications of the returning veterans for our economy, and had taken appropriate steps right from the beginning to deal with conversion needs, it would probably have found some sound answers to the problems we have today—and prevent such problems. And it is my firm belief that if such a closer look is undertaken today with respect to the Vietnam era veteran, that we may very well help prevent other problems in the coming years.

Unlike with businessmen, however, federal policy-makers have had a decided aversion in studying the market, in listening to the customers—in this case the Vietnam veteran. The feeling that many a policy-maker has conveyed is that this customer is always wrong. Perhaps it was our youth, our age. Perhaps it was simply the times. In any case, it is clear that a closer look at the "veteran market" is in order. Now, a businessman does not look toward selling his product or his services in that sector of the market which knows about his product or service. Nor does he sell them in the other sector of the market which does not need his product or service. He goes where his market is! Simply translated, this means that if the federal government wants to deal with the economic needs of the Vietnam veterans, it will go into those areas where it has been least effective in the past. It does not take much investigation to realize that I am talking about our nation's poorer areas—rural and urban—and our nation's disabled and its minority veterans. And let me add here, that there are as many poor white Vietnam veterans, as there are Hispanic Americans, Black, and other minority veterans who are poor. So, I am talking about an economic issue which cuts across racial lines. Yet, I am constrained to raise one clear racial issue. The fact is that very little has been done to advance the interests of the Native American or American Indian veteran, even though I have been continuously informed that most young adult Indians served during the Vietnam period! But even this is an economic issue. I do hope that you will keep this in mind, and vociferously advocate for major programmatic approaches—through grants, contracts, whatever is necessary—to effectively advance the opportunities of American Indians. Indeed, this would be entirely in accord with the goals of the Comprehensive Education and Training Act of 1973 (CETA). Because the total number of beneficiaries here is rather small, and because the need for greater investment in Indian communities is so great, even OMB could be persuaded to encourage outreach, recruitment, counselling, training, and other efforts which are vitally necessary. There has been a great neglect of Indian communities.

There is a continuing emphasis on such efforts with regard to the veteran in the nation's major metropolitan areas. While it is important to reach out systematically where the majority of the Vietnam era veterans are, it ought not be forgotten that there are millions of Vietnam era veterans in other areas of our nation. Thus, for example, in one of our Federal government's plans of action for assisting veterans, a number of major states are selected as target areas—including New York, California, and Texas. It has not been noticed, or emphasized, that there are considerably more veterans in the New England states—an area considerably smaller than Texas! Or California! and not much larger than New York—but with nearly as many veterans as in these two states. That is, there is a disproportionately larger number of veterans in certain areas and regions in our country which ought to receive equal emphasis. On the other hand, one state was selected as a priority area—the State of Washington—even though it is the eighteenth largest state in terms of veteran population concentration. The East South Central Region, composed of Kentucky, Tennessee, Alabama, and Mississippi, which are certainly states with high economic needs, and which have a population of veterans larger than that of Texas although the region is smaller geographically than Texas, is not a target region. In our emphasis on the major constituency states, it ought not be forgotten that the targeting of six or seven states from among fifty, is no solution to a national problem. What about the other 43 or 44 states? Are we to conclude that the Jobs For Veterans does not consider them as major target areas?

The question which I am raising is a simple one: All states should be a target area. Veterans in the smaller states are no less needy, and no less worthy of assistance, than veterans anywhere else. A major educational and employment gap among Vietnam era veterans in Montana or in Vermont or West Virginia may not mean much to those concerned with national statistical results. But it means a major problem for the state, now and in the future. It might do well to point out that this emphasis on certain areas in the country could encourage young veterans in search of opportunities to move to these highly visible areas, and rather than reducing the problems for these areas ensure continuing problems.

I would think that rather than arbitrarily selecting certain states with a large number of veterans, that greater consideration be given to the selection of counties throughout the United States which are often defined as depressed areas; or which are defined by the Economic Development Administration as poverty and economic development target areas. In this way, for example, the neediest areas in the country, those starving for investment, could be assisted. This would not only meet veterans needs, but also meet needs of other national policies, thereby providing for a greater economic impact on those areas struck hardest by the current recession. If the federal government is going to be selective, it might as well put the emphasis where it will do the most good. And it would provide for a proper rural/urban balance, as well as include the largest States in the union—but be selective within these states! It would cover the whole Appalachian region, where there are some real economic problems. Various agencies, including the regional commissions, could provide for administrative and other assistance. And it would cover most of the Indian Reservations.

The inescapable question that is being raised is whether in our nation's policies to advance veterans opportunities we are also addressing the economic issues posed by the Vietnam veterans question? Further, is our services and benefits structure really geared to cope with these economic questions? For nearly a decade now we Vietnam veterans have been trying to articulate a posture that the systems we do have are not effectively responding to these questions. It has been our misfortune that we have not been able to articulate these concerns in the same manner as the economists of the past and current Administrations. We simply have not had the data to make such a case with the precision we would like. All we can point to is our experience and the experience of others, and a few statistics here and there. What is apparent is that there was no conversion planning for the Vietnam era veteran, and that this condition is a reflection of the absence of such planning from a wartime to peacetime economy for the nation as a whole.

The single best illustration is the G.I. Bill of Rights. Another illustration is this very conference. There would be no need for such a conference, or new proposed plans of action—if we had taken care of business right at the beginning, or at least early during the war. The only positive thing we have had is the G.I. Bill. Yet each Congressional session has evidenced a decided aversion to come to grips with the issue. Ten years after the war period began, the Veterans Employment Service is finally being upgraded in terms of additional staff. So also this year the Veterans Administration has recently set up a "regiment" of veterans representatives at college campuses. While these are positive steps, it is clear that they are late, and that a closer look needs to be taken at what additional steps must be taken to meet new needs.

With respect to the JFV and VES activities, it seems to me that a greater focus on community and neighborhood organization contracts may prove very fruitful. That is, many of our veterans are at levels where they can be reached through Community Action Agencies, Model Cities type agencies, Community Development Corporations, federally funded Multi-service and community mental health centers, OIC's Urban Leagues, Urban Coalitions, and the like. The Department of Labor and Health, Education and Welfare, as well as Housing and Urban Development should be encouraged to have such federally-funded agencies participate in reaching out to the veteran. The burden should not rest wholly on NAB and the ES or the VA. These community organizations have a responsibility for greater and for continued involvement. After all, we fought during a war when many of these organizations just got underway. The Manpower Administration might well consider providing CETA title I and title II funds, either directly, or by way of requiring prime sponsors to utilize some job slots to set up veterans liaisons and counsellors in such local agencies.

These are temporary type opportunities for veterans to help fellow veterans. There are other attractive options. I see no reason why not the various local services programs funded out of HUD and HEW should not be encouraged to provide career opportunities in social services areas to Vietnam veterans, and provide such veterans with an opportunity to serve their communities' needs at the same time. There are many thousands of real job opportunities here. Quality job opportunities. Meaningful opportunities. Could not a systematic effort be made in this area?

There is a last item which I need to bring to your attention again. I am not at all certain whether the highest priority in a veterans policy—services to the disabled veterans—are receiving the proper attention. There seems to be no focus here. The goal of the JFV Plan of Action to help the disabled veteran encompasses a total of 7500 individuals—to get them jobs during FY 1975. Now, I know we can do better than that. That is, how many disabled veterans may walk in to ask for help—but it is not a goal responding to needs—economic needs!

To the question then of how the changing economy impacts upon the Vietnam era veteran, my answer is relatively simple. The impact is going to be what we largely want it to be! If the federal government does not wish to make some massive breakthroughs, then there will be no major breakthroughs. If we want to deal with the economic issues, then there are a sufficient number of options open to such agencies as the Employment Service or the Department of Labor. If veterans are to be a target group for manpower development activities under CETA, then there will be a positive impact through CETA—and if not, then CETA will have no positive impact. For you see, the real issue is the economic policy direction that is being set for veterans. The economic impact is going to be, and has been, largely an issue of what the agencies and the policy-makers want that impact to be.

DEMOCRATIC ADVISORY COUNCIL PROPOSES COMPREHENSIVE ENERGY AND ECONOMIC RECOVERY PROGRAM

Mr. HUMPHREY. Mr. President, as Congress resumes its work following the Easter recess, it is timely that the Democratic Advisory Council of Elected Officials—the policy voice of the Democratic National Committee—has adopted a comprehensive program on energy and economic recovery.

Composed of Members of Congress, Governors, mayors, State, county, and local officials, the advisory council acted on recommendations developed by its domestic affairs task force, chaired by Harry McPherson of Washington, D.C., and its foreign affairs task force, chaired by W. Averell Harriman of Washington. Arthur B. Krim of New York City serves as the advisory council's chairman.

On matters as difficult and controversial as energy and economic recovery, unanimity of opinion is nearly impossible to achieve. Not every Democratic Advisory Council member supports all elements of this policy statement. Nonetheless, it is encouraging and significant that the national Democratic Party has been able to reach meaningful conclusions on these important issues and that these conclusions are supported by a substantial majority of the advisory council membership.

I urge my colleagues in Congress to read this declaration and to weigh these recommendations carefully as we legislate in the coming weeks. It is particularly gratifying that the Advisory Council has emphasized the priority of achieving economic recovery over the arbitrary slashing of oil imports through higher prices.

Mr. President, I ask unanimous consent to have printed in the RECORD the policy statement on energy and economic recovery adopted by the Democratic Advisory Council of Elected Officials.

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

THE ENERGY PROBLEM AND POLICY OBJECTIVES

The major problems posed to oil importing countries, including the United States, by the oil cartel are:

A threat to the security of supply. For the most part, oil importing nations cannot in the near future dramatically reduce their dependence on OPEC oil. The capacity of at least the Arab members of OPEC to turn the "oil spicket" on and off as demonstrated during the embargo suggests the possibility of major economic disruption for oil importers. The seriousness and duration of the threat for each importing country depends upon how much OPEC oil it imports; the measures that have been taken to adjust to a sudden curtailment of supply; and how long it will take for that country to diversify its energy resources. The United States is in a relatively favorable position compared to Japan, Western Europe, and most developing nations.

Less flexibility in the conduct of foreign policy, particularly in the Middle East, due to the vulnerability of the importers to supply curtailments by OPEC. Again, the severity of the constraints reflect the degree of reliance on OPEC oil, and the U.S. is in a comparatively favorable position.

A major transfer of capital from oil importers to oil importers. The large capital transfer is the direct result of the artifically and excessively high prices of OPEC oil. It is estimated that at a minimum the transfer will total about $250 billion by 1980, and it is more likely that the oil bill will approach $350–400 billion. The significance of this transfer lies in the fact that a disproportionately large share of national income will be spent on oil imports, leaving much less for either business capital, consumer, or government spending. This will have a depressing effect on the economies of oil importing nations unless the money is recycled. Even if the money can be recycled, it will be recycled to those countries that can provide the goods and services demanded by OPEC or that offer good investment opportunities to OPEC countries. The countries that will be the principal beneficiaries are the industrialized nations, most notably the United States, Japan, and West Germany. The developing nations face the prospect of zero or negative economic growth. To avoid this situation, the OPEC countries and/or the industrialized nations will have to finance the oil bill for developing nations.

OPEC leverage in foreign policy, through the threat of even further oil price increases or of an OPEC decision to curb the investment or spending of their oil money, actions that would worsen the maldistribution of capital.

In sum, the potential threat to security of supply and the possibility of a maldistribution of capital pose the prospect of economic disruption to oil importers and, as a consequence, may reduce the flexibility of some importing nations in their foreign policy. These contingencies constitute the near term energy problem. The priority objectives of a national energy policy must be to reduce the threat to the security of supply and the size of the bill for imported oil. This calls for development of the capacity to withstand a sudden curtailment of supply and reduced reliance on insecure and high priced oil imports through conservation and the development of alternative supplies. The capital transfer problem can be further eased by supporting all acceptable methods for the recycling of oil money.

As each oil importing country moves for reasons of economic and national security towards less reliance on OPEC oil, the cumulative effect may be a downward pressure on OPEC price due to a reduction in worldwide demand. This coupled with the use of diplomatic suasion to reduce price could alleviate the capital transfer problem.

It should be understood, however, that the October 1973 Arab oil embargo only dramatized a problem that eventually would have required significant changes in our energy utilization and production activities. The exhaustion of petroleum and natural gas—now forecast within the next one or two generations—coupled with the wasteful patterns of energy use in this country demand more efficient consumption patterns. The concern for a safe environment among a growing number of people require new methods of exploration and production. And we know that alternative non-fossil sources of energy must be in place by the early 21st century.

In developing policies to meet the near term energy policy objectives, the United States must evaluate competing policies along several dimensions. Most importantly, are the policies likely to achieve the stated objectives? If so, what will be the costs?

First, what will be the economic and social adjustment costs of the proposed policies? Specifically, what will be their effect on price level, output, and employment, and can the economy sustain these costs? Secondly, how much through higher prices and large investments in conservation and supply policies will be taken out of national income? High levels of spending on energy and by the energy sector will mean less spending for other needed and desired goods and services. Finally, what will be the environmental costs of the policies? The costs of alternative policies in terms of adverse economic impact, foregone social investment, and environmental degradation can then be compared to the effectiveness of each alternative in reaching the objectives.

It is, of course, much easier to ask the right questions than it is to answer them. The following proposals represent the task forces' assessment of competing policies and provide the base for an energy policy that will attain the stated objectives at a realistic cost.

GUIDELINES FOR A NATIONAL ENERGY POLICY

The United States is not faced today with a crisis comparable to that existing during the oil embargo. Moreover, under the authority of the Emergency Petroleum Allocation Act of 1973 the administrative machinery capable of managing shortages is in place. Secondly, with winter almost over the season of peak demand for oil has passed. Thirdly, the recession, a mild winter, and conservation measures have caused a drop in world demand for OPEC oil. Reduced demand and the difficulty OPEC has had in coordinating its production schedule are preludes to a slight decrease in the OPEC price. OPEC does not appear invulnerable.

We can agree with the Administration on the need for an energy policy. In fact, it should be noted that the last Congress gave its attention to major energy legislation. It was the Executive who was negligent. We cannot agree now with the artificial crisis atmosphere that the President has created. Energy policy must be developed within the context of other national needs and priorities. The country has time to work out a sensible long-term energy policy, and at the same time implement workable and effective measures to conserve energy in the short-run and insure emergency supplies.

1. *Economic Recovery:* Recession is by far the most critical problem facing this country. The highest priority item on the nation's agenda is economic recovery. The success of our policies in both the domestic and foreign fields is closely tied to the strength of our economy. Nothing should be permitted to interfere with the restoration of American economic health. Economic recovery policies must be given priority. Recovery policies cannot be sacrificed to an energy program. If properly constructed and timed, an energy policy can stimulate rather than impede recovery.

This economic recovery orientation for national policy was clearly established in mid-November by the Domestic Affairs Task Force statement on the economy. It was given expression again in early December in the economic policy statement endorsed by the Mid-Term Democratic Conference on Party Organization and Policy. The President has very belatedly adopted this orientation, and by the time he conceded that recession should receive the same attention as inflation, the situation was way out of hand.

A. *Fiscal Policy:* The one-shot $16 billion in tax rebates and an increased investment tax credit proposed by the Administration is only a first step in the right direction. But it is no more than a downpayment, and it is inequitable. It does far too little for the victims of inflation and the casualties of recession. The expenditure targets proposed by the Administration are too restrictive and have the wrong priorities. The general guidelines for a minimum fiscal package would be the following:

An immediate tax rebate of some $10–12 billion. It should be paid in one installment and favor low and middle income households—those who are most in need of buying power and who are most likely to spend the rebate. Cash payments should be paid to workers whose income was too low to incur income tax liabilities.

A tax reduction of about $15–20 billion in personal income taxes to be reflected as soon as possible in a reduction in withholding rates for those in the bottom half of the income distribution. This should include a refundable tax credit for low income households.

An increase in the investment tax credit from 7 percent to 10 percent, including a provision assuring full advantage of the 10 percent credit to public utilities.

Some relief for small business and farmers by a doubling (from $25,000 to $50,000) of the amount of corporate income tax subject to the initial 22 percent rate.

The recovery stimulated by those tax cuts will quickly restore the federal revenues and provide a margin to finance priority needs.

A tax reform package to be enacted in 1976 which would redress long standing inequities in the personal and corporate tax structure and add to government revenues.

In concert with these tax changes, an anti-recession expenditure package should be immediately developed and implemented. Components of this expenditure program could include the following:

An expanded public service employment program. With unemployment at 7½ million and rising, a million job public employment program could give both the workers and the nation the benefits flowing from productive employment. Although primary responsibility for developing these jobs to date has rested with state and local governments, a sizable portion of these new jobs could be provided by a federal emergency employment program. One example of such a work force would be an Energy Conservation Corps designed to facilitate the insulation of housing and community facilities, and a door to door educational effort which would stimulate energy conservation practices by households, hotel, and office buildings.

A counter-cyclical $3–5 billion revenue sharing program to alleviate the recession-caused fiscal crisis of local and state governments. The recession has transformed the municipal and state budget surpluses of recent years into a deficit of nearly $8 billion. Lacking the debt financing capacity of the federal government, state and local units are being forced to raise taxes or cut back services and jobs. If federal assistance is not forthcoming, increased taxes, service reduction and lay-offs will only aggravate the recession.

The creation of a development financing instrumentality to help finance the housing industry, public utilities, mass transit facilities and the nation's rail system, as well as to help break other critical supply bottlenecks in the economy.

The prompt initiation of construction and maintenance projects, such as, water and sewer facilities, which have been deferred or delayed because of the Presidential impoundment of funds. Additional federal assistance may be required to permit state and local governments to fully use the federal funds.

B. *Monetary Policy:* If the desired expansion in GNP is to be achieved, the Federal Reserve system must launch an aggressive program of monetary ease. The excessively tight money policy of the Federal Reserve has been a major cause of the current recession. Although the recent moves by the Federal Reserve are in the proper direction we fear they have been more apparent than real. If continued, this cautious monetary policy will stifle the effects of a stimulative fiscal policy.

The Federal Reserve and other federal lending agencies must also develop more selective methods for allocating credit. Housing, public utilities, municipal borrowers, food production and small businesses should receive preference over speculative nonproductive ventures.

C. *Price and Incomes Policy:* Promoting a healthy recovery may result in larger wage or price increases than would be possible under a policy of recession. Furthermore, some sectors of the economy command excessive price increases for their goods or services even in the event of falling demand. At the very least, the Council on Wage and Price Stability should be strengthened. Additional powers could include the authority to subpoena pertinent information on wages, prices, sales, costs and profits, and the power to hold public hearings and to intervene selectively in wages and price decisions.

II. *Rejection of the Administration's Energy Program*: A weak economy cannot sustain an energy program like the Administration's nor can it successfully manage another disruption in oil supply or external price shocks. The most important element in a short run energy program will be the restoration of strong economic performance.

The President's energy program is based on a scheme of dramatic energy price increases. It will keep the rate of inflation at its double digit pace and will cost the economy $40–50 billion. This will more than neutralize the stimulative effects of the President's proposed tax reductions and deepen the recessionary trend in the economy. In short, the President's energy plan is an obstacle to economic recovery and, as such, it is self-defeating. The most effective defense against a threat to the security of supply and balance of payments deficits is a strong economy. In order to insure economic recovery the following steps should be taken by Congress:

A. Prohibit the President from imposing the tariff on imported oil.

Limit presidential authority to raise domestic oil prices or to remove price controls from domestic oil production. These actions would include; the renewal of the Emergency Petroleum Allocation Act of 1973 that expires in August 1975.

III. *A Positive Energy Program:* When the private enterprise market system works, it is a very powerful and effective force in determining what will be produced, how it will be produced, and how much it will cost. When and where free market forces work successfully, we should rely on them. However, there are circumstances under which the market system fails to operate effectively, and to pretend that it will function smoothly only results in excessive waste, inefficiency, and inequity. The mixed public-private economy in the United States represents a clear recognition that when the market fails, government must play a role to correct those failures.

The White House energy program rests squarely on the premise that unregulated market forces will be an effective means for suppressing energy demand and stimulating energy production. The program relies on extremely high prices not only for oil but for alternate energy sources as the key to conservation and supply development. The best available evidence suggests that this approach will not work and as already mentioned, it will be very costly to the American people. The proposed higher energy prices will not achieve the desired reduction in demand. They exceed what is necessary to stimulate domestic production and will simply result in large transfer of income from consumers to producers.

The President has taken a polar position and thrown good judgment to the winds. The exclusive reliance on market forces must be rejected and replaced with an approach that sensibly integrates the workings of the market with the degree and type of government involvement that is necessary to achieve our energy policy objectives at minimum cost to the consumer.

A. *Conservation*: Improvement on both the supply and demand side of the energy equation will be required to balance our energy budget in the face of reduced imports. However, insufficient conservation will mean greater pressure on domestic supplies and an increase in environmental risks. Therefore, a natural union exists between conservation and environmental concerns. Greater conservation will mean less environmental cost.

Energy conservation efforts must be limited by one factor: suppression of growth in energy demand cannot be brought about by a deliberate slowdown of economic growth in general. However, due to the high levels of energy waste built into our patterns of production and consumption, it does not appear that a reduction in the growth rate of energy demand will in the long run interfere with economic growth. In the short run, sensible conservation measures should not impede economic recovery. In fact, elements in the conservation program will help stimulate the economy.

1. *Short-Term Conservation*: Because substantial supply adjustments are not possible in the short run, the only way to achieve fewer imports will be through reduced demand. The goal of about 1 million barrels a day proposed by the Administration is arbitrary and economically disruptive. Short-term conservation can best be achieved through the following measures.

The imposition of an import quota designed to reduce imports by about 500,000-700,000 barrels a day. If this action is taken in concert with the other recommendations, it appears that it will not be economically disruptive. However, a gradual imposition of the quota would serve to eliminate any risk of adverse economic consequences.

Use of the Emergency Petroleum Allocation Act of 1973 to allocate petroleum and control price levels in the face of the quota-induced shortage. Reduced allocations should be concentrated in gasoline for automobiles rather than agricultural, industrial or home-heating fuels. However, savings must be made wherever practical in the industrial, commercial, and residential use of energy.

Phase-in over a period of about five years a gasoline tax which would not only serve as a revenue generator for energy supply and conservation projects, but encourage efficient use of the private automobile and the use of mass transit. The gas tax increases could be rebated either through a concurrent reduction in income tax rates for those in the lower half of the income distribution or federal grants to state and local governments that are awarded when sales taxes are reduced. The exact size and scheduling of the tax should be tied closely to the rate of economic recovery.

An immediate tax credit on the purchase of new cars with good fuel efficiency and a tax penalty phased in over several years on new cars that have poor fuel efficiency would provide additional incentives for the recycling of our fleet of cars from "gas guzzlers" to high fuel economy automobiles. The tax credit for new cars with good fuel efficiency would also be an expansionary economic policy.

2. *Medium-Term Conservation:*

a. Transportation.

Statutory performance standards to require better mileage in future cars.

Major funding for mass transit facilities.

A substantial increase in support for rail transportation leading to more energy efficient transportation of goods and people and much needed coal transport facilities.

A review and possible revision of the regulatory, rate structure and tax policies for railroads.

A research and development commitment to energy efficient modes of transportation.

b. Industrial.

Investment incentives applicable to capital expenditures made for the purpose of saving energy or switching from oil and gas to coal.

The development and implementation of federal energy efficiency requirements for major industrial sectors.

A federally supported study on the feasibility of shifting away from the production

of energy intensive consumer goods to substitute goods that require much less energy to produce.

c. Residential and Commercial.

Federal loan and tax credit programs for the insulation of homes and commercial establishments.

A revision of building code standards at all levels of government for the purpose of improving the efficiency of space heating and cooling systems.

Energy performance standards for major appliances.

B. *Supply:* Conservation alone cannot bring about the desired reduction in oil imports, and a vigorous program to develop domestic energy suplies should be initiated. Price alone will not be sufficient. The market system cannot provide the leadership and commitment that will be required to develop our domestic reserves in an environmentally acceptable manner.

1. *Short-Term.*

A national strategic reserve and storage system to reduce the threat to our security of supply and immediate development of selected Naval Petroleum Reserves for either storage or commercial use.

The creation of a Federal Petroleum Purchasing Agency which would have the responsibility to negotiate the terms of the importation of crude oil and oil products into the United States. In addition, this agency could initiate a system of sealed bids for oil importers, an action that would spark competition for the American market among oil exporters and possibly lead to price decreases for imported oil.

Create a National Energy Production Board. Funded through a share of the gas tax, the Board will facilitate the development of domestic energy resources and help break other energy bottlenecks by providing needed capital and human resources. A major task for the Board would be to facilitate our conversion from the use of oil and natural gas to coal. The Board could also have the power to direct conservation measures and break conservation bottlenecks.

Create a Department of Energy and Natural Resources to consolidate and rationalize the management of our nation's natural resources. The Department would have the responsibility for setting specific goals for energy use and production and for insuring their realization.

2. *Medium-Term*

Onshore oil and natural gas should not be counted on as a major source of supply in the medium term. Domestic reserves appear to have been overestimated, and the rate of production of existing reservoirs has dropped off considerably. Outer Continental Shelf and coal resources are the more certain alternatives, and coal is our most viable long run source of supply.

The major challenge in supply development is to bring coal into the energy stream in an environmentally-accepted way. Major incentives for the conversion of industry and utilities to the use of coal must be designed and implemented. But coal should only be burned in compliance with environmental standards. Federal involvement and leadership will be required to make this conversion.

Enact the Surface Mining Control Act. This will not only insure environmental safe guards for coal mining but reduce the uncertainty on environmental matters that faces the coal industry and helps retard production.

Since the age of fossil fuels is reaching a conclusion, major efforts must be made to develop technically, commercially and environmentally feasible alternatives. To avoid placing all of our eggs in one basket, joint public-private research and demonstration projects should investigate the full range of alternatives including geothermal, synthetic fuels, solar, nuclear fission, and fusion,

C. *Energy Prices and the Energy Industry,* wind and tidal power, and others.

1. ***Prices.***

The United States should not permit the monopoly price of OPEC oil to set the price of domestic energy. The price of all domestic energy resources must be based on actual production costs and rates of return that recognize the risks of exploration and development.

The steps proposed earlier to limit presidential authority to raise domestic oil prices or lift price controls will help insure fair petroleum prices to consumers.

The current uncertainty about the future price of domestic natural gas must be resolved. Although an increased price for natural gas moving in interstate commerce is necessary, natural gas should remain under regulatory control.

Consider aid to the needy, who cannot afford the current prices of home heating oil, natural gas, and utility service.

2. *Information.*

In order to obtain reliable data on the quantity and quality of this country's energy resources, reasonable ground rules should be established for acquiring information and data from all energy entities, both privately and publicly owned.

Use of the National Energy Production Board to reach independent judgments on the potential oil and natural gas reserves on public lands and on reasonable production costs. Such a yardstick for measuring probable private-sector performance is particularly critical in making sound decisions on Outer Continental Shelf development.

Conduct congressional hearings on the economic need and legality of vertical and horizontal integration in the energy industry.

3. *Tax Policy.*

Repeal the oil depletion allowance for major oil companies, but retain reduced benefits for small producers.

Abolish tax credits for payments to foreign governments that are not taxes on profits.

Recover windfall profits on oil, natural gas and coal resulting from the rapid rise in world oil prices.

IV. *The Role of States in Energy Conservation and Resource Development:* An adequate national energy policy must encourage conservation practices that fall under state jurisdiction, and it must recognize the legitimate state and local concerns over the socio-economic and natural environment impact of energy resource development.

A. *Conservation.*

State and local governments must be encouraged to take the responsibility for:

Enforcing the 55 mph speed limit.

Revising state and local building codes to require more efficient space heating and cooling.

Reducing the reliance on the single passenger automobile. Examples of such actions include granting rights-of-way to multi-passenger vehicles, charging high parking fees for single passenger cars in the central business districts, developing or improving mass transit and encouraging higher density development.

Revising public utility rate structures to encourage conservation of electric power and natural gas.

B. *Supply Development:* Regardless of the outcome of pending litigation before the U.S. Supreme Court, states must play a role in the planning and regulation of energy resource development, specifically on the Outer Continental Shelf.

Preparation of an environmental impact statement regarding the specific site and region should precede exploratory work.

Exploratory work should be supervised by the National Energy Production Board, the results should be shared with the states. Joint federal and state decisions can then be made about the energy resources.

If development is warranted, states should have a role in determining environmental safeguards and in monitoring the project. Conditions should also be established for remuneration to the states in the event of environmental damage.

Government revenues earned on the projects should be shared with the states.

To assist the states generally in the rational planning of their resources, national land use legislation should be enacted.

V. *Energy and American Foreign Policy—General Directions.*

A. OPEC is not a monolith. Not only are there the obvious geographic differences, but important economic, social, cultural, and political distinctions. The common bond is oil and the desire for high prices. Foreign policy initiatives to OPEC must recognize these differences, and above all the generalized approach should be one of discrete negotiation, not confrontation. A direct government role in the negotiations on oil with OPEC countries should be given serious consideration. Those OPEC members that do not have a stake in a Middle East settlement are much less likely to use the security of supply threat. Countries with large populations and low per capita income—such as Nigeria and Equador—will tend to use their oil surpluses to support economic development. This means major recycling through the purchase of Western goods and services. The major capital transfer will be to those countries that cannot absorb their oil surpluses for economic development.

B. The United States should explore every means for the recycling of OPEC oil surpluses. As noted earlier, the U.S., Japan, and West Germany are likely to be the beneficiaries of recycling and the developing nations will bear a disproportionate share of the burden of oil deficits. The U.S., in cooperation with developing nations, should use all appropriate means to encourage OPEC to increase its development assistance. Unless large sums of aid are provided, the less developed nations will enter a period of catastrophic economic decline.

C. The concept of an International Energy Agency should be supported, but Congress should investigate the specific obligations of this country under the agreement.

D. The establishment of a world price floor for oil should be opposed and action to adopt a floor should be clarified and justified to Congress.

E. A settlement in the Middle East will permit greater flexibility in working out more adequate and economically acceptable arrangements on oil. However, a resolution of the conflict will not be tantamount to a resolution of the oil issue.

The primary objective of U.S. policy in the Middle East is peace and stability and not energy. A constructive Soviet role in reaching a stable solution should be seen as an important part of detente.

F. The denial of trade benefits to OPEC members will not be effective if it threatens to rupture our relations with an entire region of the world. In order to maintain and continue to develop amicable hemispheric relations, the U.S. should move to exempt Ecuador and Venezuela from the OPEC clause of the trade bill.

SIXTIETH NACA ANNIVERSARY

Mr. MOSS. Mr. President, 60 years ago this month the National Advisory Committee for Aeronautics, NASA's predecessor, was founded. For over 40 years that organization led the United States in aeronautical research.

On April 2, 1915, President Wilson appointed the first 12 members of NACA. Throughout its entire history until October 1958, members served without compensation. On December 9, 1915, NACA

report No. 1, entitled "Report on the Behavior of Aeroplanes in Gusts," was released.

Between 1915 and 1958 the National Advisory Committee for Aeronautics was not only responsible for leading this Nation to a position of preeminence in aeronautical science and technology, but also initiated basic studies which in later years supported such remarkable achievements as the Mercury program.

On July 29, 1958, President Eisenhower announced that NACA would provide the nucleus of the newly formed National Aeronautics and Space Administration.

I feel that this 60th anniversary is an appropriate time to be concerned about NASA's role in aeronautical research, which, after all, remains a primary assignment of NASA. This summer NASA will release the results of two fundamental aeronautics planning studies. One deals with the outlook for aeronautics until the turn of the century, the other deals with a specific area of aeronautics, namely aircraft fuel efficiency.

In preparing these important studies NASA will draw on 60 years of competence, imagination, and drive developed by NACA and her progeny.

GOVERNOR HATHAWAY: A CLOSE LOOK IS REQUIRED

Mr. CHURCH. Mr. President, President Ford has nominated the former Governor of Wyoming, Stanley K. Hathaway to succeed Rogers Morton as Secretary of the Interior. I must admit that I greet the appointment with mixed emotions.

As a westerner, I am pleased that the Ford administration has looked westward to fill the post of Secretary of the Interior, for we in the West have the greatest stake in the decisions of that Department. At the same time, however, I am troubled. While there are qualified Republicans in the West—former Gov. Tom McCall of Oregon comes immediately to mind—with strong credentials, the President has picked a man whose nomination has caused deep concern among conservationists throughout the Nation.

I have already received several protests from Idaho opposing Governor Hathaway's appointment. They contend that the Governor is too strongly oriented toward the coal, gas, and oil industries to serve as the head of the agency which is primarily responsible for regulating them.

It has been asserted that the Governor views as a waste of time research into the potential of solar energy to help meet our energy needs. As chairman of the Senate Interior Committee's Subcommittee on Energy Research and Water Resources, I do not want to see any possible future energy source for this Nation overlooked. We must pursue every possible avenue—coal gasification, nuclear, geothermal, solar, and others.

I have no detailed information on the new nominee's record or philosophy. At this juncture, however, when an intelligent balance between the economy and the environment is crucial, we need a Secretary of Interior with an ability to even the scales, not to tilt them.

For this reason, I am hopeful that the Senate Interior Committee will give this nomination the closest scrutiny.

TAX EQUITY FOR TWO-EARNER FAMILIES

Mr. MATHIAS. Mr. President, since 1969 our tax rate schedules have severely discriminated against married couples in which both spouses work. A man and a woman, each of whom is a wage earner, pays significantly more taxes if they are married to each other than they would if they were still single.

In the 93d Congress, and again this year (S. 93), I have introduced legislation to eliminate this unjustifiable inequity. During the Senate debate on the Tax Reduction Act this year, Senator LONG pledged to hold public hearings on proposals to eliminate this discrimination. I believe these hearings are important, both because the discrimination is substantial and unjustifiable and because more and more Americans are becoming concerned about this inequity.

This widespread concern is evidenced by an article recently written by Sylvia Porter, the well-known national financial columnist. Ms. Porter not only describes carefully the cause and extent of this discrimination, but she puts the blame right here with the Congress.

I believe this column will be of interest to my colleagues, and I ask unanimous consent that it be printed in the RECORD.

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

[From the Chicago Sun-Times, Mar. 19, 1975]

TAX INEQUITIES FOR WORKING PAIR

(By Sylvia Porter)

"I have been working on my income tax return today," writes the young man to his congressman, "and have found that my wife and I will have to pay $214 more in taxes this year than we would as single individuals living in sin. (Our incomes are nearly identical and just under $5,000 each.) I have several questions:

"First, assuming Congress arranged this for a reason, I would like to know what the reason is. I distinctly remember that when, as a bachelor, I started work in 1968, it was disadvantageous from an income tax point of view to be single. I resent being twice on the short end of an apparently capriciously divided stick.

"Second, I would like to know whether changes in this arrangement are pending. If there are none, the prospect of saving more than $200 annually for the next 50 years or so (that is $10,000 plus) obviously makes a simple uncontested divorce the economically rational thing for us to do.

"Third, if changes are proposed, I would like to know how you plan to vote."

Since the young man, R.C.A., sent me a copy of his letter and since I know that hundreds of thousands of you must be asking the same questions, here goes:

First, R.C.A. is absolutely right about the unanticipated inequities in the income tax tables and what seem to be utterly indefensible discriminations against married taxpayers.

To illustrate, say you are two taxpayers, single, each of you earning $15,000 for a total of $30,000. Under the increased standard deduction proposed for 1975 which Congress undoubtedly will enact and which will be law, therefore, when you file your income tax next year covering 1975, each of you would take a $2,400 standard deduction. Each of you also would take a $750 personal exemption. The total tax for both of you, as single individuals living together, would be $5,179.

Now, say you get married this year and your individual $15,000 income become a total joint income of $30,000. You get one standard deduction of $3,000 as a married couple. You get two $750 personal exemptions. The total tax on your joint return as husband and wife would be $6,200.

By getting married, as the compilation prepared for me by Leon Gold, chief tax expert of the Research Institute of America, underlines, you lose $1,200 on taxes in one year!

Now to specific answers to R.C.A.'s questions:

(1) Congress didn't "arrange" this for any Machiavellian reason—to penalize marriage or favor homosexuals or anything equally ridiculous. This inequity is a mathematical quirk which unexpectedly came out of the years of effort which led to the massive Tax Reform Act of 1969. In essence, the overall goal was to give the single taxpayer a break and particularly to ease the discrimination against the elderly spinster.

A special rate was voted for the single taxpayer. Then boosts in the maximum standard deduction added to the benefits for two single taxpayers taking two standard deductions, but undercut the positions of taxpayers filing as husband and wife and sharing only one standard deduction.

The gap narrows, though, if you, as taxpayers, itemize your deductions. It also narrows in the common situation where one single taxpayer (the man) earns considerably more than the other single taxpayer (the woman).

(2) Various congressmen have introduced bills from time to time to eliminate the problems. One solution: allowing married couples to file separate returns using the rate schedule for unmarried individuals instead of special, less favorable schedule presently required for married couples filing separate returns. In the House and Senate right now are identical bills, backed by influential legislators, to accomplish this objective.

(3) But, as Gold reports to me, "the key fact is that the House and Senate tax committees have not pushed this change at all." In fact, when hearings have been held, there have been a few impassioned outcries, and then dead silence.

If you—like R.C.A.—want action, write to your congressmen and make your position unmistakably clear. Follow up. If you want our tax committees to give this issue top priority, insist on action. You'll get it. Otherwise, Congress will concentrate on other tax issues such as how much to cut taxes and where.

THE CHICAGO COMMUNITY TRUST

Mr. HARTKE. Mr. President, I know that none of my colleagues is insensitive to the needs of our fellow citizens in these troubled times. Inflation and high unemployment take their toll in human suffering and misery. Throughout the history of our Nation, private initiative has been able to help meet the needs of people who have had to shoulder an unusually heavy share of the burdens caused by the economic and social ills of our society.

One of the means which the private sector has used to accomplish this purpose has been the foundation. There are over 28,000 foundations in the United States today. As chairman of the Senate Subcommittee on Foundations, I have had the opportunity to become acquainted with the work of many of these organizations. We often hear of the programs supported by the giants in the

foundation community, but rarely do we learn about the work of the many smaller foundations.

Mr. President, the activities of one of these smaller foundations has recently come to my attention through articles printed in the Chicago Daily News and the Chicago Sun-Times. I ask unanimous consent that these articles be printed in the RECORD.

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

[From the Chicago Daily News, Feb. 24, 1975]

CASH HELP TO FIT CHANGING NEEDS

(By Edward H. Eulenberg)

An English tobacco dealer provided in his will that after his death rents from his property should buy snuff for old women of the parish.

But how could he know so long ago that most women would cease to use snuff, or that the district would change from residential to other uses, with no women residents.

If he had put his money in trust, however, leaving it to the discretion of the trustees to adjust use of the funds to changing needs and conditions, he still could have been sure his rents would help old women (with filter tips?) or go to some equally worthy cause.

This example of good intentions gone astray is related in the annual report of the Chicago Community Trust, presented Monday to several hundred bankers, attorneys, foundation officials and donors of funds at the 60th annual meeting of the trust.

Presenting the report at the meeting in the First Chicago Center of the First National Bank of Chicago, Philip D. Block Jr., chairman of the trust's executive committee, said:

"During the trust's 60 years it has made nearly $50 million in grants for the benefit of the citizens of greater Chicago. The trust has supported the broad charitable needs of the community, from efforts to improve health and social services in Chicago to the maintenance and expansion of the community's cultural life."

In fiscal 1974, the annual report showed, there were 260 grants, totaling $4,012,677, to Chicago agencies and institutions, from 137 trusts benefiting specific agencies or fields, and 7 general funds.

The meeting also was told of $16,754,171 in new trust funds and additions to existing funds received in fiscal 1974, bringing the total in all funds to $77 million.

Behind the columns of figures in the report—$100 to a hospital or health association, $40,000 to a medical school, $225,100 to a health agency—are two other stories, said Bruce L. Newman, executive director of the trust.

One deals with the history and concept of the trust; the other with the many and varied activities helped by the trust funds.

The concept is that "nothing is forever," said Newman.

"This includes the social problems that loom so large in our concern today.

"Like other community foundations, the Chicago Community Trust ensures that the intentions of donors will always and forever be translated into meaningful charitable purposes.

"The trust accomplishes this because it provides a means of avoiding the so-called "dead hand" of an individual's will, which does not take into account changing human needs and social conditions.

Citing the case of the gift of snuff, Newman noted that the concept of the trust and the funds it administers provides "the needed flexibility to respond to changes."

Since more than half the trust's funds are unrestricted, the executive committee decides on their use, Newman explained.

There is flexibility also in use of restricted gifts—for a certain field, such as arts, music, health or education, rather than for a specified cultural group, hospital or school, he said.

Even gifts to a certain agency or for a limited purpose can be flexible, Newman explained, through a bequest form that the trust encourages. This form specifies that the money be used until the executive committee decides the use has become "unnecessary, undesirable, impracticable . . . or inconsistent with the charitable needs of the community," when the funds will go to the trust's general purposes.

Some requirements to be met by an agency seeking a grant are that funds are available; that competent persons will carry out the proposal; that other funds are not likely to be found; that the proposed program will have an impact on the community and that the problem—or need is important to the community.

Albert W. Harris of the Harris Trust and Savings Bank sparked formation of the Chicago Community Trust on May 12, 1915, through a resolution approved by the Harris Bank's directors.

Stating the need for a charitable trust in Chicago, the resolution declared that "charitable purposes can be made to accomplish greater good if the terms of the devotion of . . . funds . . . shall permit of change in the particular objects or enterprises to be assisted or encouraged, and in the channels through which such funds are applied."

Harris had heard of the concept of a community trust from Frederick Harris Goff, a Cleveland lawyer and banker who in 1914 created the first such trust, the Cleveland Foundation.

Goff said at the time he was hopeful such trusts, of which there are now about 250 throughout the country, would be "helpful in avoiding the evil effects of the 'dead hand' and in stimulating and safeguarding gifts to charity."

The other story behind the figures, Newman said, is the impact of funds administered by the trust in many areas. These include health and social services (hospitals, medical programs, special problems of children and the aged); cultural affairs; education (aid to schools, school programs and scholarships); civic affairs and jobs.

In human terms, such help can be translated into a class of fourth-graders from the inner city enjoying their first symphony concert; a medical student or nurse helped to complete professional education; a member of a minority group helped to find a home in Chicago or near a suburban job.

Or the grants from some of the funds might support a program to give a blind man or woman independence through skill training; the visit of a nurse to the home of a new mother; the chance for a boy or girl to go to summer camp; or hope and help for a working mother.

Some day advanced technology and social changes may eliminate the need for medical scholarships or child-care centers and other agencies as we know them now.

But as long as mankind survives there will be human needs. And the trust and others like it will be able to channel charitable gifts to those who best can use them.

[From the Chicago Sun-Times, Feb. 25, 1975]

GROUP WINS AWARD FOR NEWSLETTER

The Community Renewal Society received the annual $5,000 award of excellence Monday from the Chicago Community Trust in recognition of its Chicago Reporter newsletter.

Police Supt. James M. Rochford, who presented the award to CRS executive director Donald Benedict, praised the publication for its "high quality of investigative reporting." Rochford, a member of the award committee, singled out for praise the May, 1974 issue devoted to a study of homicides in Chicago.

He called the issue "thoughtful and in-depth reporting . . . one of the best articles written on murder."

The award of excellence is presented by Chicago Community Trust in honor of James Brown IV, who served as the organization's executive director for 24 years prior to his retirement in 1973.

Chicago Community Trust is a community foundation established in 1915 for philanthropic purposes. At Monday's meeting in the theater at the 1st National Bank Plaza, Philip D. Block Jr., chairman of the executive committee, announced that grants totaling $4,012,677 were made in fiscal 1974.

Block said the grants were made to 260 charitable institutions and agencies in the Chicago area.

RECOGNITION OF DR. JOHN GORRIE OF APALACHICOLA, FLA.

Mr. STONE. Mr. President, nearly 140 years ago, Dr. John Gorrie, a physician and resident of Apalachicola, Fla., was searching for ways to control the body temperature of his patients suffering from malaria. Also an inventor and a scientist, Dr. Gorrie felt that if he could lower the room temperature around the sick, he might be able to regulate their body heat.

Dr. Gorrie's efforts to aid the sick produced the machine by which ice was artificially produced for the first time. The forerunner of the modern refrigerating system, this invention ranks high among contributions in importance to the South and possibly to the entire world. On May 6, 1851, exactly 125 years ago next year, Dr. Gorrie obtained a patent for his machine from the U.S. Government. That machine is currently displayed at the Smithsonian Institution here in Washington, D.C.

The city of Apalachicola, incorporated in 1831 and one of Florida's oldest cities, has passed a resolution requesting the U.S. Postal Service to issue a commemorative stamp to honor Dr. Gorrie's achievements as the inventor of artificial ice and refrigeration.

Mr. President, I am convinced that this would be a worthy effort, and therefore I ask unanimous consent that the text of the resolution adopted by the city commissioners of the city of Apalachicola, Fla., on March 6, 1975, be printed in the RECORD.

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

RESOLUTION

Whereas, Dr. John Gorrie, a citizen and resident of Apalachicola, State of Florida, invented at Apalachicola, Florida, in the year 1839–1840 the process of artificially manufacturing or producing ice; and,

Whereas, Dr. John Gorrie obtained May 6, 1851 from the United States Government a patent No. 8080 for the machine by which ice was for the first time artificially produced; and,

Whereas, the machine invented by Dr. John Gorrie with which ice was produced for the first time is now in the Smithsonian Institute at Washington, D.C.; and,

Whereas, the invention of the ice making machine by Dr. John Gorrie by which ice was for the first time produced artificially ranks next to or possibly greater than the

cotton gin invented by Eli Whitney in importance in the South, and possibly in the entire world; and,

Whereas, the ice producing machine invented by Dr. John Gorrie was the forerunner of the present modern refrigerating system; and,

Whereas, at that time the main task of Dr. John Gorrie was caring for patients suffering from malaria, and he felt that if he could lower the room temperature he might control the temperature of the sick, and thereby invented his ice making machine; and,

Whereas, Dr. John Gorrie was a great inventor, scientist, and humanitarian, and the public should be better informed as to Dr. John Gorrie and his accomplishments; and,

Whereas, on May 6, 1976, it will have been 125 years since Dr. John Gorrie obtained from the United States Government his patent for the machine by which ice was for the first time artificially produced; and,

Whereas, the City Commissioners of the City of Apalachicola, Florida, feels that it would be appropriate for the Postal Department of the United States in the year 1976 to issue a commemorative stamp to honor Dr. John Gorrie, for his invention 125 years ago of the machine by which ice was for the first time artificially produced; Now therefore be it

Resolved by the City Commissioners of the City of Apalachicola, Florida, that in order that the public may be better informed as to Dr. John Gorrie and his accomplishments, request the Postal Department of the United States issue in the year 1976, a commemorative stamp to honor Dr. John Gorrie, the inventor of artificial ice and refrigeration. Be it further

Resolved that the Postal Department of the United States and the U.S. Senators and Congressmen from Florida be furnished with a copy of this Resolution.

Adopted by unanimous vote of the City Commissioners in regular session on this 6th, day of March, 1975.

CWA PRESIDENT GLENN E. WATTS TESTIFIES ON ECONOMIC PROBLEMS

Mr. HUMPHREY. Mr. President, recently Glenn E. Watts, president of the Communications Workers of America, which represents more than 600,000 working people in collective bargaining, appeared as a witness before the Joint Economic Committee to testify concerning the economy and unemployment.

In his remarks, Mr. Watts persuasively pointed out that far from being a statistical problem or a political problem, the unemployment that our Nation is now experiencing is a devastating human problem. As he observed, the more than 8 million workers whom the Labor Department counts among the "official," unemployed are "not cold gray Government statistics" but are, in reality, "walking, breathing American tragedies."

In his remarks, CWA's president also pointed out that the latest intitiative of the Ford administration to cope with inflation, recession and unemployment is the ninth district economic policy in just the past 4 years. These policies, however, have accomplished very little and, as Mr. Watts stated:

The upshot of all this economic gimmickry, with its theatrical phases and freezes, is clear today. The American people have been phased into a recession which the administration seems incapable of unfreezing.

Mr. President, I ask unanimous consent that the complete text of Mr. Watts' testimony be printed in the RECORD.

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

STATEMENT ON THE PRESIDENT'S ECONOMIC REPORT BY GLENN E. WATTS

Mr. Chairman, my name is Glenn E. Watts and I am President of the Communications Workers of America, an AFL–CIO union which represents more than 600,000 working people in collective bargaining.

First of all, I would like to commend you for holding these hearings. The Joint Committee is in this way effectively continuing its Congressional oversight role with reference to the Administration's economic policies.

Never in its nearly 30-year history of assessing the state of the economy, however, has the Committee confronted as bleak a picture of the national economic landscape as it finds today.

The American people are currently suffering through a period of economic distress that is unparalleled since the Great Depression. Indeed, many of our citizens—the black, the poor, the old, the disabled, the uneducated and the unemployed—are presently reliving the nightmare of that dark era which was the low watermark in our nation's economic history.

I am here today to tell you that America's workingpeople are among the principal victims of the shameful economic mismanagement that for 75 months now has marked the current and the former Administration. In classic fashion, the recession in which we are presently mired and which has developed during this period has rapidly worked its way through our economy like a corrosive acid, not only afflicting the helplessly poor but also disrupting the lives of our nation's workingpeople.

This recession, however, is not the result of an economic accident. It is instead the inevitable consequence of the Administration's natural bias shown in behalf of the profits of big business, an attitude that for too long has measured economic progress within the narrow confines of corporate financial reports. The fallout of that myopic attitude has been disastrous for our wage earners, who have been forced to bear the burden of the various economic "game plans" that have emanated from the White House.

Walled in from the misery of the real world, the economic soothsayers who chart our destiny continue to seek the right "game plan" while workers and their families pay dearly for these experts' repeated miscalculations.

The glaring reality is that since 1971, when wage and price controls were first implemented, federal economic mismanagement has consisted of a maze of tortuous twists and turns. The latest initiatives of this Administration comprise the ninth distinct economic policy in just the last four years.

In early 1971, the former Administration was still following its original economic "game plan" of reducing inflation by holding down both federal spending and the growth of the nation's money supply.

Then came the Phase I wage-price freeze of August 1971, followed by Phase II, a system of so-called tight controls, which in turn was succeeded by Phase III, a strategy of so-called loose controls. In June 1973 we had Freeze II, which was chased by Phase IV, consisting of controls that were removed piece by piece until they expired last April 30.

The present Administration then converted to the "oldtime religion" of budget cutting and tight money, followed by the abortive WIN program, which gave way to the current policy, which has not yet acquired a name.

The upshot of all this economic gimmickry, with its theatrical phases and freezes, is clear today. The American people have been phased into a recession which the Administration seems incapable of unfreezing.

Mr. Chairman, almost five years ago, in July 1970, Dr. Arthur Burns, the architect of most of these failing "game plans," came before this same Congressional Committee at a time when the economy was beginning to falter, and he told the Committee that the downturn was nearing the bottom. He sought to soothe the furrowed brow of the average American at that time by predicting that full employment, by which he meant an unemployment rate of four per cent—and what a contradiction in terms that is!—would soon be restored.

A year later, Dr. Burns, then Chairman of the Federal Reserve Board, again appeared before this Committee, after his prediction had failed to come true, and he then declared there were signs that the economy was heading for a "real recovery."

So here we are today, four years later, and over the long haul things have not gotten better but have become increasingly worse. The American people have been promised that inflation would be cooled and promised that unemployment would decline. Neither of these promises has been fulfilled.

What worries us most today is that it is only at this late hour that the Administration is beginning to show signs that it intends to modify the economic philosophy of the previous Administration, a philosophy which places balanced budgets before people, an intolerable mixup in our national priorities. We now have new advisers, such as the new head of the Council of Economic Advisers and his colleagues, but they are giving the same callous advice offered by those who came before them. We are simply, in effect, having new wine poured into old bottles.

Because of the current Administration's inability to give the leadership necessary for modern economic thinking, the Communications Workers of America and the American people must look to Congress to formulate an effective economic policy. Along this line, I want to thank both the Senate and the House of Representatives for so decisively rejecting President Ford's proposed increase in the price of food stamps to the poor last month.

The food stamp proposal was for us a frightening example of the disorientation that marks this Administration's economic thinking and which signals to us clearly that the legislative branch must now play the role of national economic leader. Indeed, it was a tribute to Congress's collective sense of leadership, courage and character when the President backed down and signed into law the bill rolling back his food stamp price increase.

On that food stamp issue, the Administration, in the name of a "balanced budget," would have strangled the poor and the elderly into starvation, throwing them on the discard heap like so much disposable garbage. In effect, to "save" $650 million, the Chief Executive and his White House band of economic elitists sought to reincarnate a policy of 19th century Social Darwinism, survival of the fittest, at a time when 18 million Americans, nearly 10 per cent of the population, are receiving food stamps, and many others are growing less fit and wondering whether they themselves will soon be among the needy.

Mr. Chairman, I know that one of the areas that you want to explore today is the nation's unemployment picture.

Let me tell you that we draw no comfort from the latest government statistics showing that the unemployment rate remained steady in February after having climbed at the most rapid pace of the entire post-World War II period between August and January. We strongly believe that the 8.2 percent official jobless figure fails to reflect the true

state of the nation's catastrophic unemployment picture. Nearly 600,000 discouraged workers who are not counted by the Department of Labor as unemployed totally dropped out of the labor force between January and February, giving up their quest for jobs because employment was not available. These dropouts from the labor force are probably now drifting into the backwaters of American society.

Moreover, in compiling their monthly figures, the Labor Department counts as "employed" 3.7 million wage earners who are working only part-time, due to the current economic crisis. Thus, a wage earner who has worked for as little as one hour in the survey week that the Labor Department uses is still counted by the Bureau of Labor Statistics as employed, even though he may have actually received as little as $2 in earnings during that week.

If you add the officially unemployed, the discouraged workers and the underemployed, you get nearly 13 million American workers who are enduring the most serious kind of job and earning problems. This is approximately 13.7 per cent of the labor force, or more than one out of every eight American workers.

But what I want to do this morning is to remove the lifeless cloak from the cold unemployment figures put out by the Department of Labor and try to lay bare the dehumanizing impact of joblessness on working people.

Unemployment is not a statistical problem or a "political" problem. It is a human problem. Left unchecked, it can uproot a whole society, turning an open democracy into a closed, brutal dictatorship.

But in personal terms unemployment is something even worse than that. It is a virulent disease that poisons workers' spirits. It is a venom that dilutes men's souls, transforming them into wretched shells of their former selves. It is a destructive bacillus that must be quickly cured, for, if it persists, it can eat at the taproot of a worker's personality, altering a friend into a Frankenstein, a man into a monster seeking to recapture in some misguided way his lost self-esteem.

Let us take a closer look at some of the unemployed among us who comprise that eight per cent jobless figure.

There is the middle-aged worker in an auto assembly line or a construction project sitting alone in his home, a good father, a pillar of his church and a model citizen, slowly realizing that in a couple of months there will be no money left with which to support his wife and children. No government statistic can measure the broken dreams and the bitter disappointment that are his constant companions.

There is the young Vietnam veteran who served his country honorably, crawled through the mud in southeast Asia, ate rations out of a tin can, saw his friends killed, learned how to die himself and then returned home to be forgotten and relegated to the rear of an unemployment line.

There is the black man in the ghetto wanting to succeed within the American system, ambitious, intelligent and capable, but once again placed on the periphery of society, his nose pressed against the glass, wondering if he fits into this country at all.

Mr. Chairman, these sidelined workers are not cold gray government statistics. They are walking, breathing American tragedies. And although they may be a national embarrassment, the unemployed will not just go away and disappear, much as some politicians might like them to.

When you take these cases and multiply them by several million, you'll get a pretty good idea of what it's realy like to be jobless and feel forgotten in America.

Put simply, there is something fundamentally indecent about a man or woman who wants to work being forced to take a beating from a plentiful society that he meant no harm and in which he only wants to participate. The gray government figures may measure unemployment in a national population as numbers on a piece of paper, but there is no way to keep score of the scars written on the lives of the jobless.

There is no government statistic that can measure the sething hostility growing in a man's mind, and no Labor Department figure that can convey the feelings of inadequacy that gnaw at a man as he sees his children being forced to run around wearing other people's clothes.

The sad fact is that the rampant recession and soaring unemployment are creating a potential powderkeg of social dynamite in our nation's cities. In the core areas of some of our largest metropolises, the unemployment rate for blacks in certain categories exceeds the rate of joblessness for the overall work force during the depression four decades ago. Among black teenagers, the jobless rate is nearly 40 per cent, an explosive situation giving rise to restlessness, rootlessness and resentment.

And as the 20th century has taught us already, a whole society beset by recession and unemployment can develop the ugliest mass emotions including the ancient curse of anti-Semitism as well as other prejudices which thrive on economic disaster.

So what's the solution? What do we do about getting this economy moving again?

The first thing we need to do is to declare all-out war on unemployment with a massive public service jobs program in which the federal government steps in and assumes the role of the employer of last resort.

To that end, I want to congratulate you, Mr. Chairman, for your sponsorship of S. 50, the full empoyment legislation which you have introduced in the Senate and which Mr. Hawkins has sponsored in the House. This legislation would help make the Full Employment Act of 1946 a reality rather than a shattered hope by mandating all agencies of government, including the Federal Reserve Board, to take whatever action is needed to assure a job, at decent wages, for every American who is able and willing to work.

The legislation also requires the President to prepare a Full Employment and National Purposes Budget each year. The purpose of this budget would be to design programs capable of reducing unemployment to no more than 3 per cent within 18 months of the first report and lower at a later time.

Second, in addition to jobs, we need authentic tax reform. For far too long, the United States Government has played the role of Robin Hood in reverse, practicing welfare socialism for the rich through tax loopholes and 1890 robber baron capitalism for the poor through regressive taxes.

As you know all too well, we are now experiencing the first recession in history in which the tax burden on families and individuals has increased, squeezing workers and their families even tighter during a difficult time.

We support a tax cut of at least $30 billion by the Congress in 1975. We are thus most pleased that in its recent report to the Senate Budget Committee, the Joint Economic Committee recommended a tax cut in the $30–$35 billion range for this year.

In addition to legislating a tax cut, however, the Congress must take steps to close a series of gaping loopholes that it has opened in the past in favor of big corporations at the expense of the average worker. As long as Congress continues to countenance tax evading as the great corporation sport, the most striking feature of the corporation income tax will be its disappearance.

It is utterly inequitable for a worker with a wife and two children who takes the normal deductions to have to pay more taxes from his salary earned by the sweat of his brow than giant corporations pay, although these multinational companies make millions of dollars in profits. Unlike the average worker, who does not shirk his revenue responsibility, these companies avoid paying their fair share of taxes by squirming through a series of special loopholes every April 15.

Last year, for example, ten of the nation's largest corporations earned almost $1 billion in total profits but paid not a single penny to the government in taxes, according to a study recently released by Representative Charles Vanik.

According to that same tax report, the aggregate adjusted gross income of 12 of our nation's largest oil companies skyrocketed by 61 per cent in 1973 over 1972, yet their effective tax rate was barely increased from 7.9 per cent to 9.6 per cent, a figure far less than what the average worker pays.

The time is long past for Congress to "take the rich off welfare" and make them measure up to a tax responsibility that is commensurate with their capability instead of compelling workingpeople to carry the rich companies on their already overburdened backs.

We are especially hopeful that this Congress will eliminate the foreign tax credit, a loophole which, according to a new Treasury Department report permitted U.S. multinational oil companies to cut their 1972 income tax bill by almost 77 per cent. The multinational oil companies have used this loophole like a giant tax eraser claiming $2.953 billion in foreign tax credits against total 1972 taxes of $3.846 billion and thereby reducing their U.S. taxes to $893 million.

Largely as a result of this loophole the 19 major U.S. oil companies ended up paying a total of 5.7 per cent of their 1972 income in U.S. income taxes. This is a lower rate of taxes than is paid by a worker and his family making $3,000 a year.

While favoring an end to the loopholes at an early date, CWA firmly believes that Congress must complete its work on the top-priority feature of tax legislation—a tax cut—before it takes another Congressional recess. The American people are becoming more and more tightly strapped. Rapid tax rebate action is imperative. Therefore, there should be no vacations until Congress completes its work on this legislation.

Third, in addition to comprehensive jobs legislation and genuine tax equity, we need a coordinated national energy policy aimed at achieving energy self-sufficiency.

At CWA, our memories are longer than last year's lines at the gas pumps. Although our workers and their families have so far been spared the convulsions of last year when most Americans suffered through a winter of discontent, they are still paying exorbitant prices for homeheating fuels and other energy needs.

Because of the policy of economic aggression practiced by the OPEC cartel, over $50 million leaves this nation every day of every week of every month. These oil producing countries have achieved an economic "Pearl Harbor," a victory that they could never have achieved by military means, which is seriously burdening every American citizen.

So that America can increase her domestic supply of oil, natural gas and other energy resources at reasonable cost to her workingpeople, the federal government must become involved in developing petroleum and gas reserves in the United States on public lands and in maintaining strategic reserves. We support this concept as embodied in legislation currently pending before the Congress as S. 701, the Consumer Energy Act, introduced by Senators Warren Magnuson (D-Wash.), Adlai Stevenson (D-Ill.) and others.

We also back the creation of a National Energy Production Board to develop and execute an "action program" to use the manpower and productive capacity which now lie idle because of the recession.

In addition, as part of an effective energy

program, we must launch a major national effort to utilize coal for increased energy needs. Our nation's coal supply constitutes the largest single known fossil fuel reserve in the world. Coal has enormous energy potential for the United States, which we have not fully explored.

We must also investigate the use of other forms of energy which could provide a future source for our nation's ever-increasing power needs, in order that we will be able to run our factories, farms, offices, homes and transportation without looking back over our shoulders in the fear that we are exhausting an irreplaceable source of energy.

For example, we must continue our research and development in the uses of solar energy. Along this line, we are pleased that Congress took an important first step last year when it enacted useful legislation to further research in this promising area. We also need to conduct more intensive investigations into the development and use of geothermal and nuclear energy, both of which can be vital supplements to our diminishing supplies of oil and gas.

Mr. Chairman, given the current state of the economy, it now appears that next year America will celebrate the 200th anniversary of its birth at a time when millions of its citizens will be standing in unemployment lines. It is appalling that at this point in our nation's history such a tragic waste of human resources continues to occur.

It is up to the Congress at this juncture in the life of the United States to lead the fight for public service jobs, tax equity, energy independence and social justice. CWA believes that the Senate and the House are not chained to the old myths of yesterday's economic game plans but instead are capable of breaking new ground, seeing modern realities and forging ahead.

If Congress does not exhibit such leadership and if the economy continues to deteriorate, the economic recession of the 1970's may become the spawning ground for political radicalism in the 1980's.

Looking back, we see that 10 years ago we were beginning to build the "Great Society." Now, as we approach our 200th birthday, we are worried that we may be headed into another Great Depression.

Looking in the other direction, to the future, we have now entered the first year of the final decade on the way to 1984. In sharp contrast to that dreaded destiny which George Orwell vividly depicted, we also during the next decade embark on the third century of the American experience, an epoch unmatched in growth and development of technology and civilization.

Our nation has arrived at the crossroads, not unlike that described by one of our greatest poets, Robert Frost, in his prophetic work "The Road Not Taken."

Whether the President, the Congress, labor, business and the American people can effectively respond to the current economic challenge may well determine if nine years from now we arrive at the doorstep of the Orwellian nightmare or emerge into the light of our nation's third century secure in the realization that through our determination today we will have frustrated that dark dream of tomorrow and instead turned toward the American dream of security, justice and individual fulfillment.

IMPROVING LEGAL REPRESENTATION FOR OLDER AMERICANS

Mr. TUNNEY. Mr. President, last year's Labor-HEW Appropriations Act included a $9 million increase for the Older Americans Act, title III, State and community services programs, raising the administration's budgetary request of $96 million to $105 million.

In September, when this provision was considered in the Senate, the distinguished chairman of the Labor-HEW Appropriations Subcommittee (Mr. MAGNUSON) and I had a brief colloquy. Senator MAGNUSON emphasized that the Senate intended at least $1 million of the increase for title III be used to strengthen legal representation for older Americans.

This recommendation was the result of a hearing I held last year in Los Angeles on "improving legal representation for older Americans." That hearing, conducted jointly by the Senate Committee on Aging and the Judiciary Subcommittee on Representation of Citizen interests, provided powerful reasons for strengthening legal counseling services for the elderly.

It also amply demonstrated that many moderate-income older Americans find themselves in a "no-man's land" when confronted with a legal problem. They are unable to qualify under the legal services program because their income is too high. Yet, they cannot afford a private attorney. The net impact is that far too many elderly persons are now denied benefits under Federal programs, even though they are legally entitled.

Despite the clearcut desire to strengthen legal representation under the Older Americans Act, as evidenced by the colloquy between Senator MAGNUSON and myself, there remains some doubt whether the administration would, in fact, carry out congressional intent.

For this reason, I asked Senator CHILES to question Commissioner Flemming about the administration's plans to spend a portion of the title III funding for legal representation projects. This brief colloquy came during a hearing chaired by Senator CHILES on the training needs in gerontology.

Commissioner Flemming's response was very forthright and encouraging:

We will certainly respect the legislative history relative to the $1 million.

It is my understanding that the administration will soon make funds available to strengthen legal representation services for the elderly. I am also hopeful that the National Senior Citizens Law Center will be funded to provide training and technical assistance to make legal representation more readily available for older Americans.

To my way of thinking, the National Senior Citizens Law Center is superbly qualified to perform these tasks. Since this law center is based in my home State of California, I have had an opportunity to see firsthand how effective it has been in sensitizing area agencies on aging, law schools, the organized bar, the legal services program, and others about the special legal problems of the elderly.

Mr. President, I also ask unanimous consent that the colloquy between Senator CHILES and Commissioner Flemming concerning implementation of my amendment to provide $1 million in title III funding to strengthen legal representation under the Older Americans Act be printed in the RECORD.

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

SENATE COMMITTEE ON AGING HEARING ON "TRAINING NEEDS IN GERONTOLOGY"

Senator CHILES. The following is a question that Senator Tunney wished to ask.

He was not able to be here this morning.

As you know, the Senate added $9 million to the Administration on Aging Title III program in the fiscal 1975 Labor-HEW Appropriations bill.

When the bill was considered by the Senate on September 16, 1975, Senator Magnuson, the Chairman of the Labor-HEW Appropriations Subcommittee and Senator Tunney discussed the intent of this add-on.

Senator Magnuson made it very clear that the Senate intended at least $1 million be used "To strengthen legal representation for older Americans."

This Senate increase was accepted by the House and Senate Conferences without further comment about the $1 million, thus leaving the Senate legislative history to control the use of the $9 million.

I would appreciate your telling us how you are carrying out the intent that at least $1 million be used to strengthen legal representation for older Americans.

Dr. FLEMMING. Senator Chiles, of course, that $9 million is also on the Hill at the present time, because that is one of the items proposed for recission.

If the Congress does not concur in the recission of the $9 million, we will be in a position to allocate some of it to the States in connection with the Title III programs.

As Senator Tunney's question indicates, the apparent intent was we would allocate approximately $7 million to the States, leaving $2 million for other purposes, $1 million of which is involved in Senator Tunney's question.

We will certainly respect the legislative history relative to that $1 million.

Saying that, I am not making any commitments as to the type of legal services that we would provide grants for.

That will have to be determined on the basis of proposals that may be submitted to us, and in our evaluation of those proposals, but we will certainly follow the legislative history on the $1 million.

Senator CHILES. Thank you, Doctor, and we thank you for your testimony today.

STANDARDIZATION WITH OUR NATO ALLIES

Mr. McINTYRE. Mr. President, the economy of standardization of weapon systems and equipment by the NATO Alliance is a goal which I am actively pursuing as chairman of the Armed Services Subcommittee on Research and Development. From time to time I have addressed this subject on the floor of the Senate and will continue to do so as matters of significance come to my attention. Recently, I came across an article on this subject which was written by Dr. Gardiner L. Tucker, Assistant Secretary General of NATO for Defense Support, who is a strong proponent of standardization. I am in complete agreement with his views and ask unanimous consent that the article, which appeared in the NATO Review of January 1975, be printed in the RECORD.

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

STANDARDIZATION AND THE JOINT DEFENCE

(By Dr. Gardiner L. Tucker)

The evolution of NATO strategy in recent years, particularly in light of approaching

nuclear parity between the Soviet Union and the United States, has led to a greater emphasis on the role of the Alliance's non-nuclear forces in deterrence or defence. Both Warsaw Pact forces and NATO forces continue to improve but defence budgets in the West are coming under growing economic pressure. In this situation, the allies must devote more attention than ever to improving the effectiveness of their forces through a better use of limited resources. Standardization is an important means to this end.

The only external power which can constitute a serious potential military threat to the way of life of the Western Democracies, which NATO was formed to preserve, is the Soviet Union and the Warsaw Pact. No NATO ally has a policy of maintaining by itself sufficient forces to contain large-scale aggression by the Soviet Union, particularly close to Warsaw Pact borders. Each member country must, therefore, rely for its freedom from coercion and for deterrence of attack on the combined forces of the Alliance. It is indeed primarily to sustain these combined forces at an adequate level that NATO members maintain defence establishments at their current levels.

NATO has adopted a forward defence strategy for its conventional forces, rather than a retaliatory strategy, or one relying on defence in depth, or loss and regain of territory. The front line, extending from Norway through Turkey has been divided into sectors, with different nations manning different sectors to provide an initial covering force capable of holding the line against a limited attack or for a limited time. Should a major attack concentrate on one or more of these sectors, there would soon be a need for reinforcement. Ground and air reinforcements might come from any of several allies, depending on the status of the total conflict. Thus, the conventional forces of the allies are maintained primarily to fulfill a role which requires them to be able to operate together effectively.

This is why it is of particular importance, in improving the effectiveness of Alliance forces with limited resources, that attention be concentrated on increasing the ability of the various national forces to operate together. Standardization is a crucial means of achieving this.

MUCH ACHIEVED

Of course, something already has been done within NATO towards standardization; more than any other alliance of free and sovereign nations has achieved in peacetime. Some $5,000 million has been spent over the years on multi-national programmes. The Starfighter, the Mark 44 torpedo, and the Hawk, Sidewinder and Bullpup missiles are some systems of US design which were released into multinational production and entered the inventories of several allies. The G91 tactical reconnaissance aircraft; the Atlantic maritime patrol aircraft, and the AS–30 missile are examples of European designs which have had multi-national production and use. A further $5,000 million will be spent if current programmes are completed for such co-operative projects as the Jaguar tactical and training aircraft, the Sea Sparrow missile, the Multirole Combat Aircraft, and the Puma, Gazelle and Lynx helicopters.

In addition, about $5,000 million has been spent on commonly funded programmes to create an infrastructure capable of sustaining joint operations. A network of 220 NATO airfields has been constructed, and signals and pipeline networks provided for their support. The NATO Air Defense Ground Environment integrated air defence system, extending from Norway to Turkey, has been completed and consists of an interconnected network of 80 radar sites and a number of computers, all with the same language, symbols and software, thus ensuring common command and control of interceptors. Current infrastructure programmes involve a further $1,000 million.

A more recent example or agreement to co-operate towards the goal of standardization concerns an over-the-horizon anti-shop missile. Agreement has been reached among all NATO Navies on the general requirements for such a missile and on a staff operational objective, and a plan has been adopted setting out the steps involved in a collaborative project for its development and production. The characteristics have been agreed, and the NATO Industrial Advisory Group will soon undertake a pre-feasibility study and make technical proposals on what can be achieved. This is an excellent opportunity for standardizing a new weapon system as national commitments have not yet been made, and it is anticipated that there will be a wide need for such a missile in the next decade.

DESTANDARDIZING

Yet in spite of these impressive achievements, and these examples by no means exhaust the list, NATO has in fact been destandardizing in many areas in the past several years, so that the variety of weapons in the inventories of the Alliance has been steadily increasing. The result is that interoperability is seriously impeded and the development and production of armaments is inefficient.

This trend toward destandardization was illustrated in a review conducted two years ago which showed that there were 31 different types of anti-tank weapons in the inventories of member countries, whereas a military analysis indicated that five was probably the optimum number. In addition, there were 18 new or improved types under development at that time. That meant that there had been about five times as many separate developments as were needed. If even half of that development effort had been invested instead in one of the fields in which Soviet weapon technology has moved ahead of the West, we would be in a better position. If we had a fifth or even a third as many types, widely used throughout the Alliance, our forces would be much better able to share logistic support as well as training and doctrine, and to conduct joint operations.

Even where co-operative weapons projects have been established within NATO, the average number of nations participating in one project has been 3.6. As the minimum for co-operation is two, and there are fifteen member countries of the Alliance, this is not a very high average. The result is that there can still be several alternative systems each adopted by a few Allies, instead of a single NATO standard system.

The development of alternative weapon systems would not be harmful if they were competed against common criteria and only the most cost-effective selected. But this is not what usually happens. Each nation generally chooses the system it has developed or in whose development it has collaborated. Thus alternative developments simply lead to alternative weapons in Alliance inventories rather than to the establishment of a superior NATO-wide standard.

RESOURCES DISSIPATED

By this means, not only are research and development resources being dissipated but, more seriously, forces are being created which are not efficient in joint operations. Let us look for a moment at the ACE Mobile Force (AMF) which consists of units from seven member countries. It has about 5,000 men on the ground complemented by an air arm. The units in the force train together; they operate together; in any crisis they would deploy together to critical areas, and could well be the first integrated NATO forces on the scene. They symbolize the cohesiveness of the Alliance. But let us look at how well they are standardized. With seven nations contributing, there are seven different types of combat aircraft in the air arm; there are six different types of recoilless rifles; four different types of wire-guided anti-tank weapons; three different types each of mortars, rifles and machine guns. This force is prepared to deploy to a number of different critical areas in time of crisis, and obviously cannot pre-position its supplies in each of these possible areas. Because their weapons and supplies are so diverse, each of the seven national units in this force must maintain its own logistics personnel and establish its own logistic support. Because the weapons and supplies of the AMF units are not standardized with those of the host countries into which they are prepared to deploy, they cannot plan initially to draw on host country supplies and replenish them in due course; they must bring their full supplies with them ab initio.

The Commander of the AMF has determined that, if armaments were standardized both within his force and with the potential host country, then the time for his forces to deploy and be combat ready could be cut to less than half what it is today! To put this factor of two into perspective, it should be recalled that in virtually every analysis of East-West balances, NATO's response time is one of the most critical determining parameters. The AMF Commander has also estimated that with such standardization the seven logistic staffs could be consolidated and their tasks simplified so as to get the same job done with one-half the logistic personnel! To put this factor of two reduction in logistic personnel into perspective, it should be recalled that total manpower is the largest cost element in military budgets and its escalation is eating into modernization budgets throughout the Alliance. Finally, the airlift requirement would be cut in half, thus generating a major equipment saving. All of these improvements and savings might have resulted had the Allies spent the same level of resources they actually did spend, to acquire the same numbers of the same classes of weapons, if they had first agreed to adopt common standards.

POTENTIAL FRATRICIDE

The important thing about the AMF is that its experience is indicative of the problems and opportunities presented by the joint operation of larger units. Similar lessons are also emerging from the experiences of the NATO Standing Naval Force in the Atlantic and the Channel, and from NATO exercises. They demonstrate significant impediments to joint operational effectiveness and significant increases in logistic costs resulting from the lack of standardization of fuels, ammunition, armaments and supplies. The lack of common frequencies and codes for data transmission and of standard systems for identification of friend or foe, moreover, have been shown in recent exercises to lead to NATO destruction of NATO aircraft in a conflict. Of the substantial number of NATO maritime patrol aircraft which were (theoretically) shot down in one recent exercise, for example, subsequent analysis showed that more than 50% were attributable to NATO weapons!

Thus the proliferation of types of weapon systems and equipments in NATO inventories leads to explosive logistics, inefficient joint operations and even potential fratricide. In addition, the proliferation of development projects which feeds these inventories represents a serious dissipation of resources and a jeopardy to the continuing leadership of the Alliance in weapons technology. Leadership in technology may be more important to deterrence than the size of our forces or the efficiency of our logistics. The Soviets have demonstrated that they are striving for such leadership and may have achieved it in selected areas (e.g. in anti-shipping cruise

missiles or in second generation Surface-to-Air Missiles). One might think then, that the roughly $8,000 million per year spent by the members of the Alliance on non-nuclear research and development would constitute a coherent, co-ordinated effort to maintain Alliance leadership in technology and to modernize Alliance armaments in a common cost-effective way. Yet in important areas this effort remains secretive, overlapping uncoordinated.

REASONS FOR FAILURE

How are we to account for the failure of NATO to achieve the level of standardization which seems so clearly to be needed for its security and for the efficient use of its resources? The answer is many faceted, but one deep aspect concerns strategy. For many years, the dominant conviction throughout the Alliance was that the Warsaw Pact was largely deterred by the US strategic arsenal, and that the conventional non-nuclear forces were primarily intended to demonstrate the common commitment which is essential to effective deterrence, and to hold the line for a few days in order to test the seriousness of any attack and buy time for the political decision to escalate. In that strategy, the important thing about the non-nuclear forces was that they existed, not that they were effective together. In this situation, it was tolerable to design forces for separate national missions and to be preoccupied with fostering national defence industrial capabilities.

A second aspect of the explanation for NATO destandardization has to do with non-NATO military missions and the gradual erosion of common tactical doctrine. When NATO was first formed, the common defence has the overwhelming military concern of the members and the tactical doctrine tended to be common because it was derived from the common experiences of World War II. The NATO deterrent has kept the members of the Alliance free from attack or coercion for 25 years. During that period, however, the forces of several members have been engaged in conflict or have assumed missions in many other theatres. Thus the very success of NATO has often permitted a preoccupation with the doctrine and design of forces appropriate to missions and theatres not widely shared within the Alliance, and nations have tended to tailor their armaments to the preferences and perceived independent needs of their own forces rather than to the needs of the joint defence.

A third aspect has to do with economics. From the beginning it has been a deliberate NATO policy, for strategic, economic and political reasons, to stimulate the development of a strong NATO defence industry with wide participation by member nations. By the end of the last decade several nations had developed the technological and industrial capability to design, develop and produce modern weapons. In order to maintain this capability and the degree of military independence which it provides, to foster further development of defence industry and the concomitant advances in other sectors of industry which such development often implies, to gain a competitive posture for external armaments sales, to continue domestic employment, and to minimize armaments procurements from other countries with their attendant unfavourable payments balances, these countries have tended to protect their defence industries and to procure their own designs from their own factories.

Many countries have recognized that in principle multinational co-operative development and production of weapon systems might be preferable. But they have often judged that the task of harmonizing together the different perceived military requirements and schedules and the task of efficient organization and management of such multinational co-operative efforts would be too difficult to be successful except in very special cases. Moreover there has been a tendency to view the goals of standardization and co-operation in armaments on the one hand, and of national economic and industrial health on the other, as in conflict. It has, in fact, often been implied that if NATO were to agree to extensive standardization based on selection of the most cost-effective of alternative weapon systems designs, the result would be an extensive Americanization of NATO armaments and the atrophy of European design capability.

The strategic importance of non-nuclear forces to NATO security, and the necessity for the various national forces to be able to operate together effectively, are now better understood throughout the Alliance. The preoccupation with other missions is fading, partly due to world political developments and partly to national economic developments. The doctrinal differences which have grown up between the Allies in the non-nuclear field have begun to decline. Moreover several successful multinational developments have now established that such projects can be efficient and can satisfy reasonable national constraints relating both to payments balances and to technological participation. From such experiences appropriate organization and management techniques are becoming clear.

As a result, it is now recognized at the highest levels that NATO-wide standards are necessary to ensure that the forces of the Alliance can operate together effectively and can support each other logistically if necessary. It is accepted as both strategically and economically important to the Allies that there should be multi-national participation in the development and production of armaments and this participation must be effective and technologically satisfying to the nations involved so that no one nation derives the preponderant technological advantages.

Ways must now be found of satisfying the legitimate national economic and industrial goals of the member countries while, at the same time, ensuring that the West's armament technology and industry as a whole are adequate and efficient. What is needed, above all, is the acceptance of Alliance-wide standards derived from technological advances and weapons developments occurring on both sides of the Atlantic. This does not imply that all weapons in allied inventories must be the same. Indeed, specialization might well be necessary in order to meet the requirements of special missions undertaken by countries as part of the common defence. But where missions are shared, and forces must be able to reinforce and support one another, there must be common standards.

ACTIONS UNDERWAY

A number of actions are underway in an effort to substantially improve standardization in NATO over the next four years. The NATO armaments groups, under the guidance of the Conference of National Armaments Directors, have been conducting a systematic review, weapon by weapon, in order to encourage, wherever possible, standardization or co-operative development. The NATO allies have all agreed, for example, to an effort to harmonize their requirements for the next generation of anti-tank weapons and to co-operate in the development and production of a single family of five weapons to replace the 31 now in inventories. The major tank producing countries have agreed to a common testing programme to select the main gun and ammunition to be common for future Alliance tanks. We are approaching agreement on a common lightweight ASW torpedo for the 1980s.

In addition, we have started to formulate clearly our shared objectives for standardization, and beyond that to talk explicitly about the issue of defense industry and technology and its relationship to our strategic goals and to national economies. We are trying to specify and quantify the assessments of our accomplishments and our failures with respect to these goals. And we are trying to attack the underlying issues which have been preventing more extensive or effective collaboration. Thus, for example, we have had a series of frank discussions of these issues in the North Atlantic Council and in the Defense Planning Committee.

The NATO Industrial Advisory Group has undertaken to identify equipment areas where potential economies of scale make common items particularly attractive and where such items can be effectively shared out for production or where specialization in production is the more economical answer.

The Economic Committee is beginning to analyze the economic health of various sectors of the Alliance's armaments industry as a whole, to determine whether the "protective" policies often pursued by member nations have produced economically efficient industries and whether alternative policies can be devised which could foster a more efficient Alliance-wide industrial base while still satisfying national economic goals.

RECENT PROGRESS

In his article Equipment Standardization and Co-Operation,[1] John Stone referred to the efforts of NATO's Conference of National Armaments Directors (CNAD) in the fields of anti-armour, surface, air-to-air, and anti-ship missiles; airborne early warning, detecting and tracking; electronic warfare equipment and small arms ammunition.

Reference was made earlier in this article to the progress which has very recently been made toward collaboration on an anti-ship missile. It might be added that prospects have also improved for agreement on small arms ammunition. At a CNAD meeting last October, it was decided that there should be only two calibres for light infantry weapons, one of which should be the existing NATO 7.62 mm round. Furthermore, it was decided that wherever possible, no nation should introduce any other calibre into its inventories before the results of an agreed test and evaluation programme became available. Where, however, countries do have to acquire new light infantry weapons before this programme is completed, it was agreed that they should introduce these weapons on an interim basis only, or fill the gap in their stocks by leasing or borrowing supplies of such weapons from another nation.

A further example should perhaps be mentioned as it concerns a subject of outstanding importance—the replacement of the F104G Starfighter and other aircraft. The F104G has been one of NATO's major achievements, as the same aircraft was included in the inventories of eight NATO nations, most of whom had a share in its production. It makes sense from almost every point of view that where the military missions are similar NATO standard aircraft should again be procured. Interoperability will only be realistically achieved by a common aircraft; economies of production and logistic support require common procurement; commonality presents extensive opportunities for sharing training, maintenance and exercises, and contributes towards standardization of associated weapons, equipment and facilities, thus offering further economies and increased effectiveness. Belgium, Denmark, the Netherlands and Norway in particular have missions for their replacement aircraft which are sufficiently similar, and replacement schedules which are sufficiently compatible, that replacement

[1] See NATO Review No. 4; 1974.

with a single common standard is a very attractive possibility. These four nations have undertaken an impressively thorough joint study of the possible replacement aircraft, and of the operational, logistic, industrial and economic factors involved in their selection. By the time this article appears in print the consequences of their deliberations may well be known.

THE TASK AHEAD

This article can only suggest the scope and gravity of the problems associated with standardization and armaments co-operation, and the measures which are being undertaken or contemplated to tackle them. As modern weapon systems may require a decade or more from the initiation of development to full deployment, and as weapons once introduced may remain in the active inventories for one to three decades, standardization can only come slowly even when the objective is fully supported. There is very broad agreement throughout the councils of the Alliance, however, that the current inhibitions of joint operational effectiveness and the current inefficient and wasteful use of Alliance development and production resources can no longer be tolerated. There is now a tremendous and difficult task ahead of us. The accomplishments thus far in some limited areas, the new initiatives undertaken, and the serious study of underlying problems all suggest that the trend to further destandardization and proliferation of weapon systems may soon be arrested. It will, however, be necessary that throughout the next decade a sustained firm commitment to effective NATO standardization permeate national defence establishments if progress is to be commensurate with the gravity of the need. Given such a commitment, the defensive capability of the Alliance and its comparitive lead in armaments technology and therefore the strength of deterrence, can be significantly enhanced over the coming decade within present resource levels.

Surely that is a goal worthy of pursuit.

HAZARDS OF AEROSOL SPRAY CANS

Mr. HATHAWAY. Mr. President, in the past several months we have become increasingly aware of the dangers involved in the manufacture and use of aerosol spray cans. The immediate hazards posed by spray cans range from death through inhalation to disabling lung damage and disease from constant exposure to the use of aerosol sprays. Additionally, vinyl chloride, known to cause a rare form of cancer of the liver, is a component in many aerosal sprays. Yet, cans containing vinyl chloride remain on our market shelves, an unmarked danger to their purchasers.

Most recently, gases released from aerosol sprays have been implicated in a decrease in the protective ozone layer of the Earth's atmosphere. This layer forms a shield between us and the Sun's ultraviolet radiation. A decrease in ozone may result in increased cases of skin cancer, and could have substantial effect on the Earth's vegetation. Ultimately a significant deterioration of the ozone layer could result in a catastrophe.

The problem posed by the release of gases used in aerosol sprays and their effect upon the ozone layer have been presented in a recent article in the New Yorker magazine. Both the House and Senate have held hearings on bills which speak to this problem, and a petition was filed last fall with the Consumer Product Safety Commission in Washington by the Natural Resources Defense Council to ban the use of certain aerosol spray can propellants. Jurisdiction over this petition is presently being decided, and meanwhile, testimony and factfinding on the dangers presented by the extensive use of aerosol spray cans is being compiled both at the congressional and administrative levels. As the New Yorker article so clearly points out, it is essential that we all become informed of this potential danger and that we take necessary measures to protect ourselves from the dangers indicated by the present research on the interaction of the use of aerosol sprays and our protective ozone layer.

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

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

ANNALS OF CHEMISTRY

INERT

(By Paul Brodeur)

In the age of convenience packaging, few items have scored a greater success in the marketplace than aerosol sprays. The phenomenal growth of the aerosol industry began in the early nineteen-fifties, when chemists at E. I. du Pont de Nemours & Company hit upon an ideal propellant—a mixture of two gases that could be confined under low pressure in tin-plate or aluminum cans—and Robert H. Abplanalp invented a mass-producible plastic-and-metal valve that could dispense the contents of the cans at the touch of a fingertip. Cheap, lightweight cannisters soon supplanted the cumbersome and expensive steel containers that had housed aerosol sprays since the Second World War, and from then on the proliferation of aerosols proceeded at an incredible rate. In 1947, four and a half million cans of the old-style aerosols—mainly insecticides—were manufactured and sold. By 1954, the annual production of aerosols had jumped to a hundred and eighty-eight million cans—a hundred million of them being more or less equally divided between insecticides and shaving lathers. In 1958, the production of aerosols soared past the five-hundred-million mark, with hair sprays taking over as the leading item. And in 1968, when two billion three hundred million aerosols were turned out, the total of a decade before was nearly equalled by the production of hair sprays alone.

By 1970, practically every product that was conceivably sprayable either had been packaged or was being considered for packaging in aerosol form. As a result, more than three hundred different uses have been devised for aerosols, which dispense everything from baby powder, slip preventive for bathtubs, breath sweeteners, and cheese spreads to cooking-pan coatings, nasal sprays, oven cleaners, rug shampoo, shoe polish, telephone disinfectant, waxes, weed killers, and whipped-cream substitutes. With the exception of a few failures, among them toothpaste and chocolate syrup, most of the new aerosol products—lavishly advertised and imaginatively marketed—have gained wide acceptance by the public. Today, with personal products such as deodorants, hair sprays, and shaving lathers accounting for fifty per cent of the take, aerosols are a three-billion-dollar-a-year industry in the United States. They are also virtually ubiquitous. In 1973, two billion nine hundred and two million three hundred and forty thousand aerosols were manufactured and sold in this country—enough to provide about fourteen for every citizen of the land—and the 1974 total was more than three billion, which amounted to about fifty per cent of the total world production. Small wonder that the average American family is estimated to possess between forty and fifty cans of aerosol in various parts of the house.

Though some consumer groups and medical researchers had reservations about this fantastic propagation of aerosol sprays, the matter caused no real stir until last year, when it became known that the propellant most commonly used in them—the same mixture of gases that had enabled the du Pont people to start the aerosol boom some twenty years ago—might be seriously threatening the environment.

The first hint of this was received in 1970, when Dr. James E. Lovelock, a biospheric chemist at the University of Reading, in England, detected one of the gases—trichloromonofluoromethane—in the ambient air over western Ireland. Because he knew that the other gas—dichlorodifluoromethane—is far more stable, though less easily measurable, Lovelock assumed that it was present also, and in fact he later found this to be the case. (Both gases had been synthesized in 1928 by chemists in the General Motors research laboratories who were trying to find a non-toxic, non-flammable refrigerant; dichlorodifluoromethane has been widely used ever since as a coolant in refrigerators and air-conditioners.) When Lovelock subsequently took air samples from shipboard in the North and South Atlantic, in 1971, he discovered that trichloromonofluromethane had pervaded the entire troposphere—the six-to-ten-mile-high portion of the atmosphere that lies between the earth and the stratosphere. At the time, he found no cause for alarm in his observations, for the simple reason that both gases—closely related compounds of chlorine, fluorine, and carbon, which are marketed by du Pont, their chief manufacturer, under the trade name of Freon—were known to be chemically inert. In fact, it was their chemical inertness that, together with a high volatility, had made them ideal as an aerosol propellant, which must vaporize at room temperature and not react with any of the ingredients it is designed to propel. As a result, Lovelock and other investigators at first regarded the omnipresence of chlorofluorocarbons in the troposphere as a harmless and potentially valuable tool for tracing air movement and wind direction.

The assumption that chloroflurocarbons would be innocuous in the environment because they were chemically inert might have gone unchallenged for some time if it had not been for Professor F. Sherwood Rowland, a member of the Department of Chemistry of the University of California at Irvine, who was a specialist in the chemistry of radioactive isotopes. Upon hearing that Lovelock had found chloroflurocarbons to be everywhere in the troposphere, Rowland began to wonder where they were going and what would become of them. Since there appeared to be no particular urgency about the matter, he pondered it off and on for more than a year. Then, in the summer of 1973, he requested and received permission to investigate it from the Atomic Energy Commission, which had supported his work since 1956. On October 1st, he and Dr. Mario J. Molina, a photochemist from Mexico City, who had recently completed his Ph.D. studies at the University of California at Berkeley and had just joined Rowland's research group, set out upon the trail of the chlorofluorocarbons, never suspecting that before the end of the year it would lead them to contemplate the possibility of an end to life on earth.

To begin with, the two men were aware that chlorofluorocarbons, like all molecular gases, could be decomposed upon photolysis by short-wavelength ultraviolet light from the sun. They also knew that such decom-

position would have to occur high in the stratosphere—from fifteen to twenty miles above the surface of the earth. Below that, almost all short-wavelength ultraviolet light is intercepted and absorbed by a fragile layer of ozone—a gas formed by the action of sunlight on oxygen—which shields the planet from harmful solar radiation. Because they were sure of the existence of a photolytic sink in the stratosphere—"sink" is a term that scientists apply both to the processes by which chemicals are destroyed and to the places in which this breakdown occurs—the first question that Rowland and Molina asked themselves was whether there might be other methods or locations for the disposal of chlorofluorocarbons. Since Lovelock's measurements had indicated that the total amount of trichloromonofluoromethane in the troposphere was about equal to the total amount of it ever manufactured, this seemed unlikely, and after further study the two men came to the conclusion that the compounds, because of their relative insolubility in water, could not be removed and absorbed by natural sinks such as rainfall or the oceans, and, because of their chemical inertness, could not be broken down rapidly by any other known mechanisms in the troposphere. Thus, they presumed that the several million tons of chlorofluorocarbons estimated to be floating about in the troposphere would survive long enough to rise into the stratosphere. Rowland and Molina were aware that the upward diffusion of chlorofluorocarbons—as of any gas not lighter than air—would be very slow; in fact, after completing their next set of calculations they were able to estimate that the average molecule of chlorofluorocarbon would wander aimlessly, rising and falling between troposphere and stratophere in the manner of a yo-yo, for between forty and a hundred and fifty years before it encountered short-wavelength ultraviolet light and decomposed. They also estimated that by this time, if chlorofluorocarbons continued to be manufactured and used as propellants and refrigerants at the 1972 worldwide rate of almost a million tons a year, the several million tons of the compounds pervading the troposphere would increase to nearly a hundred million tons, and the decomposition of chlorofluorocarbons in the stratosphere would increase correspondingly.

The significance of this increase became apparent late in November of 1973, when Rowland and Molina undertook to examine the consequences of the long-delayed but inevitable encounter between chlorofluorocarbons and ultraviolet light. The two men had known all along that as soon as a molecule of chlorofluorocarbon decomposed it would release atoms of chlorine. They now determined that, within a second or two, each atom of chlorine (a highly reactive chemical) would seek out and react with a molecule of ozone (an extremely unstable substance), and that this, in turn, would initiate an extensive and complex catalytic chain reaction in which, over a period of a year or so, as many as a hundred thousand molecules of ozone could be converted into molecular oxygen and eliminated from the stratosphere. Uneasy at finding that a single atom of chlorine was capable of such destruction, Rowland and Molina returned to their earlier calculation that nearly a hundred million tons of chlorofluorocarbons could be expected to build up in the troposphere within the next century or so, and estimated that enough chlorofluorocarbon molecules would thereafter be decomposed annually in the stratospheric sink to unleash five hundred thousand tons of chlorine atoms. Chlorine in this amount, they concluded, was sufficient to roughly double the depletion of ozone known to occur naturally each year, chiefly through a catalytic chain reaction initiated by oxides of nitrogen released into the stratosphere as a result of bacterial action in the ocean and in the soil. The chlorine would thus bring about a situation in which ozone would be destroyed much faster than under normal conditions.

At the time Rowland and Molina reached this conclusion—it was a few days before Christmas—they had no easy way of determining exactly how much of the ozone layer might eventually be destroyed. However, a rough calculation led them to estimate that a loss of from twenty to forty per cent was within the realm of possibility. This was a disconcerting prospect, to say the least, since the work of previous investigators had demonstrated that such a reduction would cause a tremendous increase in the kind of solar radiation known to be most detrimental to plant and animal cells. Rowland and Molina thus came to the further chilling conclusion that if chlorofluorocarbon propellants and refrigerants continued to be used at present rates, chlorine might one day take over chemical control of the stratosphere, with consequences that could conceivably disrupt, if not destroy, the biological systems of the earth. Moreover, they realized that even if the use of the two gases were to cease at once, destruction of part of the ozone layer—though the full effect would not actually be felt for a decade or two—was foreordained by the fact that the chlorofluorocarbons already in the troposphere were inexorably seeping up into the stratosphere. In effect, they had discovered a planetary time bomb.

Since Rowland and Molina were not specialists in atmospheric chemistry, they initially reacted to their theory with disbelief, assuming that somewhere in their calculations they had made a simple mathematical mistake. But when they reviewed their work they were unable to find any error. At that point, seeking outside advice, they paid a visit to Dr. Harold S. Johnston, a professor of chemistry at the University of California at Berkeley, who in 1971 had been the first scientist to call attention to the threat posed to the ozone layer by oxides of nitrogen released from the exhaust of supersonic transports. Dr. Johnston not only confirmed their conclusion that large amounts of ozone could be destroyed through a chain reaction initiated by tiny amounts of chlorine but also informed them that similar theories had recently been worked out by several different groups of atmospheric scientists who were conducting research for the Department of Transportation's Climatic Impact Assessment Program—a three-year, twenty-million-dollar study that had been set up in 1971 to investigate the effects of nitrogen-oxide and sulfur-dioxide emissions from the SSTs. According to Johnston, these scientists had undertaken to examine the potential role of chlorine in the stratosphere because they were aware that the use of ammonium perchlorate in the fuel of the National Aeronautics and Space Administration's proposed space shuttle would result in the release of hydrogen chloride from its exhaust. But they knew of no existing major sources of chlorine in the stratosphere, and so they had not considered their findings immediately important. The irony of this was heightened when Johnston told Rowland and Molina that recent work in England had indicated that the chain reaction triggered by free chlorine atoms could destroy ozone six times as efficiently as the one initiated by nitrogen oxides.

As might be expected, Rowland and Molina came away from their meeting with Johnston fully convinced of the magnitude and urgency of the problem they had uncovered, and of the necessity of publishing their data as quickly as possible. During the first week of January, 1974, Rowland wrote an article describing their findings and sent it off to *Nature*, the international scientific journal, which is published in England. For the next eight months, the dissemination of their theory about the calamitous effect of chlorofluorcarbons upon ozone seemed to rival the slowness with which the gases themselves were diffusing upward into the stratosphere. To begin with, the editors of *Nature* were obliged to wait until the data had been evaluated by referees, and therefore did not get around to publishing the article until June 28th. A press release based on the article was sent out by the public-information office of the University of California at Irvine, and was picked up by the Los Angeles *Times*, the San Francisco *Examiner*, and several other California newspapers. Unaccountably, however, though the release was sent to the Los Angeles bureaus of the New York *Times*, the *Wall Street Journal*, the *Christian Science Monitor*, the *National Observer*, *Time*, and *Newsweek*, the story did not appear in any of those publications. As a result, word of Rowland and Molina's ominous findings did not become public knowledge on the East Coast until the two men reported them in person on September 11th at a meeting of the American Chemical Society being held in Atlantic City.

By that time, Rowland and Molina had calculated that if chlorofluorocarbon production continued to increase at the present rate of ten per cent a year until 1990 and remained constant thereafter, between five and seven per cent of the ozone layer would be destroyed by 1995, and between thirty and fifty per cent of it would disappear by the year 2050. To underscore the gravity of even a five-per-cent depletion, they cited studies indicating that the resulting increase in ultraviolet radiation would, after 2050, cause forty thousand additional cases of skin cancer each year in the United States alone. They went on to warn that greater losses of ozone could cause other serious biological damage, such as genetic mutation and crop damage, and might even shift stratospheric temperatures sufficiently to create changes in the world's weather patterns. To point out the irreversible aspect of the problem, they predicted that if nothing was done over the next decade to prevent further release of chlorofluorocarbons, the vast reservoir of the gases that would have built up in the meantime would provide enough chlorine atoms to insure continuing destruction of the ozone layer for most of the twenty-first century. Not surprisingly, they told the members of the Chemical Society that in their opinion the advantages of using chlorofluorocarbon propellants and refrigerants scarcely seemed worth the serious hazards they posed to the climate of the world and to the health of its inhabitants. And they urged that the compounds be banned.

The informaion presented by Rowland and Molina in Atlantic City touched off a chain reaction of its own. Within two weeks, their findings were confirmed by an announcement of similar findings by Dr. Paul Crutzen, a meteorologist working with the National Center for Atmospheric Research and the National Oceanic and Atmospheric Administration, both in Boulder, Colorado. They were also confirmed by two of the scientific groups that had been investigating the problem of ozone depletion for the Climatic Impact Assessment Program. One of these groups was led by Dr. Ralph J. Cicerone, a physical chemist at the University of Michigan's Space Physics Research Laboratory; the other was heated by Dr. Michael B. McElroy, professor of atmospheric science at Harvard University's Center for Earth and Planetary Physics. The calculations of both indicated that chlorofluorocarbons would, if anything, destroy ozone even faster than Rowland and Molina had estimated.

Coming hard on the heels of a disclosure by Dr. Fred C. Ikle, director of the Arms Control and Disarmament Agency, that nitorgen oxides released by the heat of thermonuclear explosions in warfare would destroy a large part of the ozone layer, these alarming predictions received wide cover-

age in the press and aroused considerable public concern. There was already a great deal of concern in the scientific community. In mid-September, the National Academy of Sciences appointed a special five-man panel to assess the situation and recommend a course of action. In addition to Professors Rowland, Johnston, and McElroy, its members included Francis S. Johnson, executive director of the Center for Advanced Studies at the University of Texas at Dallas, and Dr. Donald M. Hunten, an atmospheric physicist at the Kitt Peak National Observatory, in Tucson, Arizona. The panel met in Washington, D.C., on October 26th, and the five men agreed unanimously that a serious problem was in the making; they recommended that the Academy undertake a full-scale study of the chlorofluorocarbon hazard and complete it within a year. Dr. Hunten, the panel's chairman, held a news conference upon his return to Tucson and, emphasizing the urgency he felt, called for an immediate halt to the purchase of aerosol sprays that contained chlorofluorocarbon propellants. Three weeks later, a petition to ban the sprays was filed with the federal Consumer Product Safety Commission, in Washington, by the Natural Resources Defense Council, an organization that has won a number of landmark court cases involving environmental problems. Among other things, the Council's petition cited recent measurements taken from high-altitude aircraft by Philip W. Krey, of the Atomic Energy Commission's Health and Safety Laboratory, in New York City, which showed that chlorofluorocarbon molecules had already risen into the lower stratosphere, twelve miles above the earth.

Meanwhile, the aerosol industry had been developing its own response to the situation. In September, when chlorofluorocarbons first broke into the headlines, spokesmen for the du Pont Company, which had been aware of the findings of Rowland and Molina for more than six months, contented themselves with pointing out that the calculations were hypothetical—that no real proof existed to demonstrate that the two gases could rise into the stratosphere, let alone that they could lead to the destruction of ozone. Subsequently, Dr. Raymond L. McCarthy, technical director of the company's Freon Products Division, announced that industry-sponsored studies involving both direct measurement of chlorofluorocarbons in the troposphere and observation of their chemical reactions in chambers designed to simulate high-altitude conditions would be undertaken by scientists at several universities. According to Dr. McCarthy, these studies would take three years to complete, and would be coordinated by a trade group known as the Manufacturing Chemists Association, Nineteen producers of chlorofluorocarbons, including the six American manufacturers—du Pont, the Allied Chemical Corporation, the Union Carbide Corporation, the Pennwait Corporation, the Kaiser Aluminum & Chemical Corporation, and Racon, Inc.—would finance the studies. McCarthy said that pending the first results of the industry-sponsored research there was no dependable evidence that chlorofluorocarbons posed a hazard to ozone, or, for that matter, that the chlorine chain reaction worked out by Rowland and Molina and other investigators could occur at all. He added that it would be an injustice if hypothesis were to serve in the meantime as a basis for judgment and action. Nevertheless, during the month of November the sale of aerosol products dropped by seven per cent, and rumors soon began circulating that du Pont had halted construction on a new chlorofluorocarbon-manufacturing plant, in Corpus Christi, Texas.

As the autumn wore on, it became obvious that furor over chlorofluorocarbons would lead to a congressional inquiry, and on December 11th the Subcommittee on Public Health and Environment of the House Committee on Interstate and Foreign Commerce began two days of hearings to consider legislation that would regulate, and possibly ban, the manufacture of the gases. In an opening statement, the subcommittee chairman, Paul G. Rogers, a Florida Democrat, expressed grave concern over the problem, declaring that it was like a tale out of science fiction. "Since coming to the Congress, I have never begun hearings with such an eerie feeling," he said. "The idea that we may in fact be destroying the layer of atmosphere which protects us from the sun's rays is both rather staggering and frightening."

As it happened, the legislation proposed to regulate chlorofluorocarbons was not reported out of the subcommittee, because the Ninety-third Congress expired eight days after the hearings were concluded. But the testimony of the witnesses on both sides of the issue, though it produced little information that had not already appeared in newspapers all across the country, had served to raise some difficult questions for the new Congress and the Administration to ponder. For example, who should assume the burden of furnishing absolute proof of whether chlorofluorocarbons pose a threat to the ozone layer? Who, for that matter, should determine whether it is safe to wait for absolute proof to be established? What measures, if any, should be taken in the meantime to control the manufacture and use of the chemicals? Which agency should be given the power to enforce these measures? And which agency, then, should assume jurisdiction over the stratosphere?

Neither the Administration nor Congress has yet come up with specific answers to these questions. But the President's Council on Environmental Quality and the Federal Council for Science and Technology are sponsoring a broad interagency study of the situation, and during February two bills attempting to deal with the problem were introduced in the House of Representatives. Both bills avoid a politically unpalatable outright ban on chlorofluorocarbons by calling for additional studies to determine whether a chain reaction initiated by chlorine released from the gases is in fact destroying the ozone layer. These studies are to be conducted over the next year or so by the National Academy of Sciences and by NASA. One of the bills—it has just been introduced in the Senate as well—would ban chlorofluorocarbons if their manufacturers fail to furnish proof within two years that the stuff is safe. The other bill would require that the administrator of the Environmental Protection Agency determine what constitutes a safe level of ozone depletion, and to what extent chlorofluorocarbon production should be regulated in order not to exceed it. Thus, both of the proposed laws would, in effect, grant industry's request for a delay in regulatory action. Indeed, it appears that the initial concern of the Congress over the threat that chlorofluorocarbons pose to the world's environment has been tempered by subsequent consideration of the adverse effects of regulatory legislation upon the national economy in a time of recession.

Whether it is prudent, let alone safe, for Congress to try for a trade-off between these two priorities—the environment and the economy—remains a question. It also remains a question whether it is wise of Congress to assign a major role in determining the extent of the chlorofluorocarbon hazard to NASA, an organization that can surely be said to have a vested interest in the matter as a result of its billion-dollar-a-year space-shuttle program. It is equally questionable whether any legislation regulating the production of chlorofluorocarbons in the United States can be effective in preventing destruction of the ozone layer unless similar restrictions are imposed by other chlorofluorocarbon-producing nations—including the Soviet Union, where the compounds are manufactured under the trade name Eskimon. For that matter, how can the E.P.A. administrator or anyone else determine a safe level of ozone depletion caused by chlorofluorocarbons without taking into account the destruction of ozone that will be caused by supersonic transports? (According to a report released by the Department of Transportation just the other day, several hundred SSTs would reduce the ozone layer from ten to twenty percent within five to ten years.) Or without taking into account the destruction of ozone that may be caused by other natural or man-made pollutants yet to be identified? While Congress and the Administration grope to find a way out of this murky situation, the problem, like the chlorofluorocarbons, remains in the air.

Concern over the potentially disastrous effect of chlorofluorocarbons in the stratosphere has tended to overshadow strong evidence that aerosol sprays are more immediately hazardous to the health of millions upon millions of people who have been inhaling them here on earth. For almost a decade, it has been known that chlorofluorocarbons in high concentrations could cause death from cardiac arrest. More recently, it has been reported that smaller doses of the gases can cause changes in the normal heart rhythm of human beings and can weaken heart muscle and lower blood pressure in test animals. For at least fifteen years, it has been suspected that the plastic resins in hair sprays cause a restrictive-lung-storage disease called thesaurosis, as well as abnormal lung cells that may be the precursors of lung cancer. These suspicions now appear to be confirmed by a study of five hundred cosmetologists in Utah recently conducted by Dr. Alan Palmer, an epidemiologist with the Department of Health, Education, and Welfare's National Institute for Occupational Safety and Health. Dr. Palmer's study found that nearly fifty per cent of the cosmetologists had symptoms of early obstructive lung diseases such as asthma and emphysema. Even more ominous was the disclosure, in the spring of 1974, that vinyl chloride, a chlorinated hydrocarbon gas that had been used for twenty-five years in the manufacture of plastics and had been discovered to cause a rare type of liver cancer in workers who inhaled it, had also been employed for at least ten years as either a propellant component or a solvent in dozens of household aerosol sprays.

(As with the chlorofluorocarbons, the labels of these aerosols listed vinyl chloride not by name but only as one of several "inert ingredients.") Incredibly, instead of following the lead of the Japanese government, which spent twenty-five million dollars to impound all aerosols containing this carcinogen, the Food and Drug Administration, the Environmental Protection Agency, and the Consumer Product Safety Commission—the three agencies responsible for regulating aerosol products to protect the public health in the United States—did little more than request that companies engaged in the manufacture of aerosols stop using vinyl chloride as a propellant in them. As a result, millions of spray cans containing a known cancer-producing agent remained in stores and in households from one end of the country to the other even after it had been shown that with normal use—say, massacring a few bugs on the ceiling or giving style and body to a hairdo—it was possible to contaminate an average-sized room with up to four hundred parts of vinyl chloride per million parts of air. This level was eight times that known to cause liver tumors and other cancers in rats, and was soon judged by the Department of Labor's Occupational Safety and Health Administration to be four hundred times the safe level of exposure for workers.

In spite of extensive press and television coverage of the vinyl-chloride hazard during the spring and summer of 1974, there was no drop in the sale of aerosol sprays. Indeed, the average consumer's appreciation of the toxicity of aerosols apparently continued to be limited to a vague awareness of the warning that appears on virtually every aerosol can—"KEEP OUT OF REACH OF CHILDREN"—which, of course, is simply an evasion of the fact that there is no way to use a household aerosol in the presence of anyone, child or adult, and keep its contents out of the human lung. Ironically, it has taken a chance discovery by two chemists who were not even investigating within their usual field of research to bring home the full extent of the aerosol hazard. For by demonstrating that inert chlorofluorocarbons, instead of vanishing harmlessly into thin air, can scar the ozone layer Rowland and Molina have shown us that we may well have succeeded in inflicting a chronic and irreversible disease upon the atmosphere, which is the very lung of the earth. For better or worse, however, they have also provided us with a valuable lesson in the crucial necessity of testing potentially harmful substances—before putting them on the market—for their consequences both in the environment and upon the human beings who will come in contact with them. (Such testing might have begun some time ago if Congress had seen fit to agree upon the Toxic Substances Control Act, which, vigorously opposed by the Manufacturing Chemists Association and other industry groups, has twice passed both houses and then been allowed to die in conference.) In the meantime, as we await the results of studies yet to be undertaken and action yet to be decided upon, it appears that we can do little more than cross our fingers and hope that somehow or other Rowland and Molina will be proved wrong.

ALLEGED EFFECT OF RATIFICATION OF GENOCIDE CONVENTION ON FEDERAL-STATE RELATIONS

Mr. PROXMIRE. Mr. President, one of the arguments raised in opposition to Senate ratification of the Genocide Convention has been based upon the alleged effect of the Convention on Federal-State relations. It is claimed that the States will be deprived of a field of criminal jurisprudence. This concern is groundless.

Consider our form of government. The Federal Government deals with national and international questions; local matters are reserved to the States and their subdivisions. According to the Constitution, power to make treaties and to define and punish offenses against law of nations are specifically the province of the Federal Government. Article I, section 8, clause 10 gives Congress the power to provide criminal sanctions for offenses against the law of nations.

It is wholly unwarranted to say that because another offense would be added to the list of those now punishable as offenses against the law of nations, the soverignty of State governments would be usurped by the Federal Government.

Dean Rusk, as Deputy Under-Secretary of State, addressed the issue before the special ad hoc subcommittee of the Senate Foreign Relations Committee:

> Twice all of the states-members of the United Nations have declared that genocide is a matter of international concern. Twice all states-members of the United Nations have declared that genocide is a crime under international law. All have declared that internal cooperation is needed to stop this practice and that states have a duty to put a stop to such practices within their own respective borders. In view of this history, no one can doubt that genocide is a subject within the constitutional power of the Federal Government to define and punish offenses against the law of nations.

It is unquestionably the power and the duty of the Senate to ratify the Genocide Convention.

SENEGAL CELEBRATES 15TH ANNIVERSARY OF INDEPENDENCE

Mr. HARTKE. Mr. President, April 4 marked the celebration of the 15th anniversary of the independence of Senegal, with whom the United States has close and friendly ties. I am thus delighted to extend to President Leopold Sedar Senghor, Prime Minister Diouf, and the people of Senegal best wishes and congratulations.

Senegal is the African country physically closest to the Western Hemisphere, serving as an air and sea crossroads for West Africa, the Americas, and Europe. Most Americans who visit Africa are likely to stop first at Senegal's modern capital, Dakar. Culturally and scientifically as well as in other areas, Senegal enjoys growing links with our own country despite barriers of language. American tourism is growing steadily as Senegal expands its facilities to accommodate the tourists seeking famous local art, crafts, dances, gracious beaches, exciting deep-sea fishing, and even a budding movie industry.

Symbolic of these widening ties and especially of Senegal's increasing scientific sophistication was the country's hosting last summer of the very large multination GATE tropical atmosphere experiment in which aircraft and ships of over 30 nations, including the United States, United Kingdom, France, and U.S.S.R, gathered data on weather formation over a 3-month period. Over 300 Americans alone participated. President Senghor's own gifts as a world-renowned poet are widely esteemed in the United States.

Senghor, the man of peace, whose endeavors, speeches, and actions on the inter-African and international fields have always been geared to the promotion and defense of peace, prosperity, and cooperation.

As well as having received honorary degrees from a number of our most highly regarded universities, Mr. Senghor is an honorary member of the American Academy of Arts and Letters. This appreciation is felt in return as President Senghor is deeply interested in America and especially Black American culture.

Under President Senghor's leadership, Senegal has benefited since independence from political stability and steady social progress. President Senghor was reelected to a third term of office in 1973 by an overwhelming popular vote. President Senghor is a champion of national economic development through regional cooperation, and Senegal is taking a leading role in the formation of the West African Economic Community. Inspired in part by the success of our own Tennessee Valley Authority, Senegal joined with neighboring Mauritania and Mali to form the Senegal River Development Organization—OMVS—to help provide a viable economic future for the drought-affected northern parts of Senegal.

This year Senegal, like many of its neighbors, is beginning longer range programs to overcome the serious effects of 6 years of drought, the worst Africa has known this century. Fortunately, normal rains fell last summer, easing immediate problems. Today the United States and Senegal are working together in projects, totaling at some $6 million in American assistance, designed to improve food and animal production which was so damaged by the drought. During the height of the drought the United States contributed to Senegal 55,000 tons of emergency food grains. Our country also furnished $1.14 million in various forms of nonfood emergency assistance and $1.4 million for special short-term drought recovery and rehabilitation projects. Our country clearly intends to continue to extend a helping hand to Africa's drought victims, including those in Senegal, and has confidence in the ability of the Senegalese people to meet the challenge facing them.

To help provide a better future and spur diversified economic growth, Senegal has adopted a highly favorable investment code backed by a record of respecting contractual agreements second to none. A number of American firms participated in Dakar's first international trade fair, held in its new and splendid internationally designed permanent exposition convention park, in November and December 1974. This fair, which I visited and which is to be held every 2 years, was an unqualified success. The Senegalese Government puts out the welcome mat for American investors, whose imagination and know-how Senegalese leaders believe will accelerate Senegal's economic progress. The country's main export is peanuts, followed by increasingly valuable phosphate sales. Iron ore and other minerals await development as rising world prices encourage investors to seek new sources of raw materials. Senegal is already expanding its tourist, winter vegetable, fishing, and manufacturing industries, all sectors to which American managerial and technical skills can contribute. In business, as well as cultural, scientific, and social fields, ties between Senegal and the United States appear destined to multiply for the mutual benefit of the Senegalese and American people.

DIRECTOR COLBY'S ADDRESS TO THE ASSOCIATED PRESS

Mr. NUNN. Mr. President, from what I have read in the press, it appears that the remarks of William E. Colby, the Director of Central Intelligence, were well received Monday by those in New Orleans who attended the Associated Press annual meeting.

The thrust of what Mr. Colby said makes it clear that he is not one to hide

behind artificial barriers the activities of the Central Intelligence Agency, but he does entreat all of us to protect "good secrets" in the interests of our Nation.

I think it is important Mr. President, that we occasionally remind ourselves that the CIA is a creature of statute, a legitimate and even indispensable institution within the executive branch of the Federal Government and that in this capacity it serves the people and the leadership of this Nation, and that its effectiveness is dependent upon its commitment and capability to protect "good secrets." For this reason, Mr. President, I ask unanimous consent to have printed in the RECORD the text of Mr. Colby's statement.

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

INTELLIGENCE AND THE PRESS

(Address to the Associated Press Annual Meeting by William E. Colby)

Fellow Publishers: I presume to address you in this way to bring out a point which is not adequately perceived these days: that intelligence has changed from its old image to become a modern enterprise with many of the attributes of journalism. We collect much information in the same way you and your reporters do from open sources, such as the foreign press and radio, and those foreigners and Americans willing to talk to official American reporters, such as our Embassy officers, Defense Attaches, and CIA's clearly identified inquiring reporters here in the U.S.

Our collection process involves a lot more than these efforts, of course, but it is still the process of assembling individuals bits of information from a variety of sources, cross-checking them, and coming up with reasoned assessments and conclusions about them. I sometimes say, and not entirely in jest, that our publications have the largest staff, the smallest circulation, and the lousiest advertising of any journalistic enterprise.

One of our problems, of course, is an erroneous identification of current intelligence practices with old-fashioned spy stories. Just as the image of "The Front Page" hardly fits the modern investigating reporter, so the old spy story hardly reflects the enormous contribution technology makes to modern intelligence. Some of this technology has pressed the state of the art, as in the U–2 and certain other activities of which you may have become aware. In many of these, advances had to be made in secret in order to avoid alerting foreign subjects of these capabilities so that they not frustrate them. This contribution to modern information, in a variety of fields from photography to electronics, has revolutionized intelligence, and we now can run a pictorial supplement and a technical journal about foreign weapons systems and military forces which we could only generally sketch out from indirect sources in years past.

Just as in your profession, we are faced with the problems of success—how to organize and articulate the key judgments and conclusions hidden in this explosion of raw information. For this I am pleased to say that we have adopted another attribute of the profession of journalism—the editorial board. In the early days of World War II, our country faced the problem of an instant need for knowledge of such far-off places as South Pacific islands or the hump between India and China. We assembled from American academic circles, business circles, and journalisms, staffs of experts of these areas. They then became the repository of all information on these subjects available to the United States Government.

This analysis staff has since developed into another unique American contribution to intelligence. At our Headquarters today, we probably have more doctors, masters, and other advanced students of complex disciplines from agricultural economics to nuclear physics than can be found in most large American universities. It is their task to separate the true from the false, the full from the half story, and the warped from the straightforward report. They produce our publications, and their reputation for independence, objectivity and integrity is as precious to them as the reputation of your profession is to you.

Am I sliding over the old-fashioned concept of clandestine intelligence or our role in political and paramilitary work abroad? No. These are a part of our intelligence function, and they do make a unique and important contribution to the safety of our country. Some things cannot be learned by the inquiring reporter or technical means. Sources within a closed and authoritarian foreign society can let us know its secrets in these days of mutual vulnerability to nuclear warfare. When defense systems take years to build, we need to know of the hostile weapon while it is being planned, as well as when it is cocked. We must understand the personal and political dynamics which can produce threats from such societies. And, there are occasions in which some quiet assistance to friends of America in some foreign country can help them withstand hostile internal pressures before they become international pressures against the United States.

But while I do not wish to slide over these activities, I do wish to point out the comparatively small proportion they play in our intelligence function and activities these days. The most important part of our mission is in the intellectual process of collecting, analyzing and presenting intelligence to assist in the important decisions our government makes about the safety of our country and the welfare of our people.

In the very function of intelligence, great changes have occurred. Intelligence no longer consists only of stealing the military secret so that the General may win a battle. Today it provides the basis for negotiations to remove or defuse military and economic threats to our country by mutual agreement rather than armed force. It thus fulfills a positive peace-keeping as well as its old defensive security role.

While I think our country has developed the best intelligence service in the world, I must warn you that it is in danger today. Intelligence by its very nature needs some secrets if its agents are to survive, if its officers are to do their work, and if its technology is not to be turned off by a flick of a switch. We in the American intelligence profession are proud of our open society; this is why we devote our lives to its service. But we also believe that this open society must be protected and that intelligence, and even secret intelligence, must play a part in that protection in the world in which we live.

There are secrets in American society. Grand jury proceedings are secret, Congressional committees meet in secret executive sessions, we have secret military capabilities, and our journalistic profession insists on its right to protect its sources. But for some reason, secrets of intelligence arouse such public fascination that the letters "CIA" can move a story only tangentially referring to CIA from the bottom of page 7 to the top of page 1.

Mr. Charles Seib, the "ombudsman" of *The Washington Post*, recently wrote a critique of what he called the "sensational lead." This referred to the wire service practice in days gone by, and he stressed that they have gone by for the wire services today (both in the splendid Associated Press and Brand X) wherein a story would be twisted and turned in order to get a sensational lead to catch immediate reader attention.

The CIA today, I fear, fits this category of the sensational lead. If CIA were in politics, we could perhaps take solace from the politician's old story about not caring what they said about him so long as they spelled his name right. But our intelligence agency today and its service to our country are being jeopardized by its status as the nation's number one sensational lead.

Our agents abroad are questioning our ability to keep their work for us secret, work they do with us because they believe in democracy too, but work which can jeopardize their lives if revealed. Many Americans who have helped their country through its intelligence service are concerned that they will be swept into the climate of sensationalism and their businesses abroad destroyed by a revelation of their patriotic assistance to CIA. And a number of cooperative foreign officials have expressed great concern to me as to whether they can safely continue to pass their sensitive information to us in this climate of exposure. We are already seeing some of these sources withdraw from their relationship with us or constrict the information they provide us.

The foreign military attache in Washington can purchase at our newsstands information which our intelligence service must run the risk of life and death and spend hundreds of millions of dollars to obtain about his country. I do not object to this. In fact, it is one of the strengths of this great American society. But I do believe that with the benefits of our open society comes an equal responsibility to protect it by not revealing its attempts to protect itself through intelligence operations. That responsibility rests not only with the nation's intelligence service, it rests with every American. It rests especially with you, with your enormous power and freedom under our Constitution to choose which subjects to call to public attention and which ones to ignore.

I am pleased to say that in various dealings with the journalistic profession, I found much evidence of this sense of responsibility, even from some of my most severe critics. This sense of responsibility was double-bladed. Part was a receptiveness to the valid reasons why I believed certain information should be withheld from publication and consequent inevitable exposure to foreigners. Part of that sense of responsibility also involved a clear understanding that in our society the decision on this question was the journalist's, not mine, unless I could meet the Supreme Court's test of "direct, immediate and irreparable damage to our nation or its people."

Thus, on this question of intelligence and the press, I believe we Americans can quite easily agree on the general principles. It becomes difficult, however, if the story gets ahead of the capability to be responsible. For example, sometimes the journalist assumes that the story can do no harm, when, in reality, there are unrevealed facts about it which would change the journalist's mind. Some of our more critical journalists have a practice of calling the subject of a story to afford a chance of a denial or other comment. This does allow the presentation of good reasons to write the story so as to protect important secrets or even, in exceptional cases, to withhold it.

I do not have to make this appeal to this audience, as I know that your procedures would be the responsible ones. I do suggest, however, that you consider carefully whether CIA really should be the sensational lead in any story in which it is mentioned even incidentally, and thereby fan the fires of excitement about CIA and inevitably

obscure the real nature of modern intelligence and its contribution to our country.

I do not ask that "bad secrets" be suppressed. In fact, I have exposed some of our missteps of the past. I also believe that "non-secrets" should be exposed. A "non-secret" I define as a known fact about intelligence which in the old tradition would have been kept secret, but which in our open society should no longer be withheld. The public inquiry and debate we are conducting as to the proper authority, limits, and supervision of our national intelligence effort falls into this category. But I do make a plea that "good secrets" be respected, in the interests not of intelligence but of our nation. Our people must not only be protected in today's world, they should benefit in many other ways from what modern intelligence can provide. I do not ask that the healthy adversary relationship between the press and government (and our government's intelligence structure) should be abandoned. I only ask that we Americans protect our nation's sources in the same way the journalist protects his.

CONGRESSIONAL CONSULTATION ON FOREIGN RELATIONS

Mr. CHURCH. Mr. President, Congress has been periodically scolded merely for exercising its constitutional role of helping shape this Nation's foreign policy. Thomas A. Dine, a former legislative assistant in my office and now a fellow at Harvard University's Kennedy Institute of Politics, points out in an article in a recent edition of the New York Times that Congress must have its say in formulating such policy.

However, as he notes, Congress lacks the personnel and resources to counter, by itself, the personnel and resources at the command of the executive branch. Consequently, what Congress lacks in staff, it must make up for in the skillful organization of its talents and allies. Mr. Dine has written a practical primer on how the smaller branch of Government can marshal and focus its advantages to compete in the formulation of foreign policy with the larger branch. Mr. President, I ask unanimous consent that his article be printed in the RECORD.

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

A PRIMER FOR CAPITOL HILL

(By Thomas A. Dine)

CAMBRIDGE, MASS.—President Ford and Secretary of State Kissinger want to stop Congress from interfering in the making of foreign policy.

Senators and Congressmen, however, intend to participate more in the process. A majority on Capitol Hill now sees the country's institutions and foreign policies best served by checking and balancing this and future Administrations.

For the legislative branch to exercise its constitutional foreign affairs powers effectively, it is necessary to be mindful of eight considerations.

1. POINT MAN

An individual member makes a conscious decision to lead and sustain the lead on a particular foreign policy issue. To stay out in front, to be a point man, the member must acquire and display expertise on a regular basis. This is easier if the leader is an insider, although a person outside the appropriate committee can, and often does, become the focal point on certain issues.

2. LEGISLATION

Law-making is policy-making. One-shot speeches or debaters' duels with high Administration officials at hearings have limited relevance. Resolutions or letters to the President or a Cabinet secretary are only nudges.

The very best way to make foreign policy is to write an alternative approach into law. The best instrument is the Congress's power—the pursestrings—and to use the power is to stop or limit a program by cutting off the flow of Federal funds. Attaching an amendment to a major bill is the most common and effective approach.

3. APPEAL

Legislation must be framed so that the potential policy has political appeal. Bipartisan supporters and the Congressional leadership must be lined up, if possible; external interests must be linked to domestic ones so that the objectives of both are similar. In taking on the executive, facts and logic must be stressed. Such criticism sharpens debate and clarifies the issue. The end product, the nation's policy, will be strengthened and more broadly supported.

4. INFORMATION

Developing an independent base of information is essential. The executive branch or The New York Times is frequently Congress's sole source of data during a controversy; such dependency insures ineffectiveness.

Sources may be dissidents within the bureaucracy, former Administration officials, journalists, academicians, foreign officials and groups, or domestic private-interest groups.

An effective way to develop new information is through committee investigations that use the pre-trial technique, put witnesses under oath, exercise the subpoena power, and control the flow of information. It is necessary here to show strength, sometimes by creating uncertainty over how much the committee knows. This often turns up more information.

5. THE PRESS

Publicity is the great equalizer among the branches. The Washington press corps should be reached and cultivated: the Senate and House press, syndicated columnists, editorial writers. Television and radio will inevitably follow. An important internal byproduct is that such publicity becomes the only common means of communication with other members and staffs. Here The Washington Post and The Washington Star take on added importance.

6. SPECIAL-INTEREST GROUPS

Outside special-interest groups should be mobilized on behalf of the issue. Such groups legitimate the alternative policy.

They provide members with forums in which to speak and organize nationwide. They also provide manpower and are helpful in collecting information as well as intelligence on members' voting positions.

7. STAFF

A staff devoted to foreign policy must be developed and worked with. It is the role of staff to map out the legislative labyrinth through which the member must drive. With such a road guide, a member's inevitable involvement with other committees may never result in his losing his momentum nor getting sidetracked by the obstacles of procedural strategy. Staff members exist in a world of foreign policy substances; they are political actors, too. This is their strength and potentially their downfall. They are the vehicles that carry the alternative-policy debate cargo. They also oversee the law's implementation.

8. PERSISTENCE

By perennially and persistently criticizing a policy, there is a possibility of inducing the Administration to abandon or modify a program, or of prevailing upon a committee chairman to add statutory language requiring the executive to certify or report about a program.

Because Mr. Ford and Secretary Kissinger regard the constitutional struggle over our foreign-policy direction as interference, this procedural primer for making foreign policy on Capitol Hill may have useful application.

NATIONAL COMMITTEE FOR THE BICENTENNIAL ERA

Mr. PERCY. Mr. President, an extraordinarily diverse and accomplished group of Americans have joined together to help us focus on the meaning of our Nation's Bicentennial. The planning of events to commemorate our 200th birthday is well underway. In a time of severe stress across the land, it is essential that we also address ourselves to the problems and opportunities attendant to entering our third century.

The National Committee for the Bicentennial Era is making a major contribution to the dialog necessary to fulfill our intellectual obligations to this historic period. Its name, emphasizing the 13-year period devoted to developing our noble experiment in government from the Declaration of Independence to the Constitution, is particularly appropriate. Too often today our impatience to accomplish our goals leads to unnecessary frustration. The committee reminds us that, like Rome, America was not built in a day.

I ask unanimous consent that the statement of the National Committee for the Bicentennial Era, as published in a recent advertisement, be printed in the RECORD.

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

A BICENTENNIAL DECLARATION

This great country of ours stands at a crucial turning point in its history. We face new and serious problems and uncertainty as to the future.

Two hundred years ago, our founding fathers stood at a similar crossroads. Beset then by grave doubts, they ultimately resolved to stake everything on a handful of ideas and ideals.

They forged those ideas and ideals into founding principles and then fought to uphold them. The American Revolution brought forth a new system of government based on freedom, justice, and individual rights.

Today we are called upon to maintain and improve that system and to fulfill those principles in a world growing increasingly interdependent. We are called upon to resolve our problems in many areas such as the economy, education, the environment, equal opportunity, freedom of choice.

We, the undersigned, believe—and we feel confident we reflect the sense of the American people—that we have reached the point in our history when a *second* American Revolution is called for, a revolution not of violence, but of fulfillment, of fresh purposes, and of new directions.

We believe that the Bicentennial of our founding offers just such an opportunity. To realize this potential, we believe the Bicentennial must be based on four fundamentals.

Let us be inspired by our origins, and by the challenges we face.

If we are not today an inspired people, we need to be reminded that we once were, and must be again. There is high inspiration to be found in the great ideals that created our country. The phrases that have been worn smooth by use have fresh and urgent meaning for us today—"government by consent of the governed," "the blessings of liberty," "all men are created equal," "a nation of laws." The Bicentennial can and must become a time to celebrate those ideals, and

to celebrate them in the profound sense of renewal and rededication.

Let us make the Bicentennial a great period of achievement, nationally and in every community.

What our forebears did 200 years ago had never been done before. What we must do today is equally unprecedented. At every level in our society, there is an urgent need for achievement—in education, housing, transportation, the arts, communications, new ways of solving social problems, new methods of setting goals for the future, increased citizen participation in government. We believe that dedicating the Bicentennial to achievement is the way to put the sense of alienation and powerlessness behind us, to become once again the masters of our own destiny.

Let us commit ourselves to a Bicentennial Era, to at least the same time span required for the founding of our nation.

The first American Revolution neither started nor ended on the Fourth of July, 1776. Thirteen difficult years elapsed between the signing of the Declaration of Independence and the creation of an enduring system of government based on the Constitution. Many of the problems of today are different from those of 200 years ago, but they are at least as grave. Therefore, the second American Revolution will require at least a comparable period of time to grow strong and firm roots. We endorse the concept of a Bicentennial Era from 1976 to 1989 as a realistic period for tough-minded planning and accomplishment.

Let us put our trust in individual initiative, in the participation of each individual citizen.

Our great experiment in democracy will surely erode unless the Bicentennial Era becomes a time when we once again assert the primacy of individual initiative in moving our country forward. Governmental units at all levels must play a vigorous part. But the primary responsibility lies with the people, not with government. Let each of us, acting alone and in groups, take our own initiatives. There is work for all—for each individual—in every part of the country, of every color, creed, age, and ethnic background. That work must begin now.

For our part, we, the undersigned, pledge ourselves to spread this message throughout the land, and to undertake our own individual initiatives. We earnestly invite our fellow citizens, all those who share our vision of what the Bicentennial Era can mean and accomplish, to lend their time, their energy, and their spirit to the work that lies ahead.

DEPARTMENT OF DEFENSE ANNUAL REPORT ON INDEPENDENT RESEARCH AND DEVELOPMENT

Mr. McINTYRE. Mr. President, section 203, paragraph (c) of Public Law 91–441 requires the Department of Defense to submit an annual report to the Congress on independent research and development—I.R. & D.—and bid and proposal—B. & P.—costs. The report for 1974 has been received, and I ask unanimous consent to have the report and a copy of the letter of transmittal dated March 13, 1975, printed in the RECORD at the conclusion of my remarks. For the purpose of my statement, I.R. & D. and B. & P. will be referred to as I.R. & D.

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

(See exhibit 1.)

Mr. McINTYRE. Mr. President, this is the fifth year of reporting, and it covers the fourth full year of implementation since section 203 was enacted. The subject of I.R. & D. has been under intensive review during the past year by the General Accounting Office, by the Cost Accounting Standards Board, and by an interagency study group chaired by the Government Services Administration. The GAO activity is in response to a letter dated October 8, 1973, signed jointly by myself as chairman, Subcommittee on Research and Development of the Armed Services Committee, and my distinguished colleague, the senior Senator from Wisconsin in his capacity as chairman, Subcommittee on Priorities and Economy in Government, Joint Economics Committee. The complete history of this situation appears on pages S9042 through S9055 in the CONGRESSIONAL RECORD of May 28, 1974, and on pages S16781 through S16786 in the RECORD of September 17, 1974.

The final report of the General Accounting Office is expected to be received this month and will be the basis for formal hearings to be held by the Subcommittee on Research and Development within the next several months to determine what, if any, legislative action should be initiated.

Mr. President, I would like now to summarize and address the significance of the financial data reported by the Department of Defense for 1974. Gross payments to contractors for I.R. & D., as estimated a year ago, totaled $819 million for calendar year 1973, but included $32 million for a category of costs called other technical effort which no longer is properly identified as a part of I.R. & D. Therefore, the amount to be considered as a basis for comparison with the current reports is $787 million.

The revised gross amount reported for 1973 is $801 million, which includes $24 million for 42 more reporting contractors' divisions and cost centers than were included in last year's estimate for 1973. On a comparable basis, therefore, the revised gross amount is $777 million which is $10 million less than the $787 million estimated a year ago.

Last year, the Department of Defense estimated that I.R. & D. costs for 1974 would approximate that for 1973. The gross amount now reported for 1974 is $808 million which compares with $801 million reported for 1973. Here again the amounts are essentially the same, and if inflation is applied would bring the 1974 level below that for 1973.

Mr. President, these gross amounts do not represent actual costs to the Department of Defense because they include amounts which are recovered from foreign military sales. To be specific, the $801 million and $808 million I.R. & D. amounts for 1973 and 1974 includes $38 million and $42 million respectively which are paid from foreign military sales. Therefore, net out-of-pocket costs charged to the Department of Defense are $763 million and $766 million for these respective years. To the taxpayer, this means that $3 million more is expected to be paid by the Government for I.R. & D. in 1974 than in 1973.

Another way to consider I.R. & D. is as a percentage of sales to the Department of Defense by the 90 contractors involved. Sales in 1973 totaled $21.148 billion which increased to $21.690 billion in 1974. Based on these amounts, I.R. & D. payments show a decline as a percentage of sales from 3.78 percent to 3.72 percent. These figures also indicate that I.R. & D. payments have essentially leveled off despite an increase in gross sales of over $500 million.

In conclusion, Mr. President, as I stated in my report last year, the total amount of funds spent by the Department of Defense for I.R. & D. is very large, although it has leveled off at about $765 million. I do not mean to imply that the Government does not realize a fair return on this investment. Much of it, in fact, will result in advancing technology on a broad front which is essential not only to the security of our Nation but also to our economic strength and the well being of our people. Consumer products reflect the direct benefits of many of our advancements in military technology.

Nonetheless, Mr. President, the government-wide implications of the I.R. & D. program will be thoroughly examined in cooperation with my good friend, Senator PROXMIRE, and we will report our findings and make recommendations for legislative change as are determined to be appropriate at the earliest practicable date.

EXHIBIT 1

ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., March 13, 1975.

Hon. NELSON D. ROCKEFELLER,
President of the Senate,
Washington, D.C.

DEAR MR. PRESIDENT: The Secretary of Defense has requested that I prepare and submit to you in the report of Independent Research and Development and Bid and Proposal costs required under Section 203, Paragraph (c) of the 1971 Department of Defense Appropriation Authorization Act (PL 91–441). This Section requires the submittal of an annual report to the Congress on or before March 15th each year setting forth—

"(1) those companies with which negotiations were held pursuant to subsection (a)(1) of this Section prior to or during the preceding fiscal year of the Federal Government, together with the results of those negotiations;

(2) the latest available Defense Contract Audit Agency statistics, estimated to the extent necessary, on the independent research and development or bid and proposal payments made to major defense contractors, whether or not covered by subsection (a)(1) of this section during the preceding calendar year; and

(3) the manner of his compliance with the provisions of this Section, and any major policy changes proposed to be made by the Department of Defense in the administration of its contractors' independent research and development and bid and proposal programs."

The report is in three parts corresponding to the three items quoted above. Parts I and II were compiled from detailed data pertaining to individual companies. This detailed company information is very sensitive and is not included in the report, however, it will be made available for review.

Sincerely,

JOHN J. BENNETT,
Acting Assistant Secretary of Defense.

REPORT TO THE CONGRESS ON INDEPENDENT RESEARCH AND DEVELOPMENT COSTS AND BID AND PROPOSAL COSTS

PART I

Companies with which negotiations were held pursuant to Section 203 prior to or during the preceding fiscal year of the Fed-

eral Government and the results of those negotiations.

In accordance with the above requirement the attached Schedule A provides data pertaining to the negotiations conducted in the Government's fiscal year 1974:

SCHEDULE A—I. R. & D./B. & P. REPORT—PT 1, NEGOTIATIONS COMPLETED IN FISCAL YEAR 1974 AND RESULTS OF THOSE NEGOTIATIONS

[In thousands of dollars]

	Contractors' number of companies	Total program dollars proposed by contractors			Total advance agreement ceiling dollars, negotiated by DOD			Estimated DOD share of ceiling dollars, negotiated		
		I. R. & D.	B. & P.	Total	I. R. & D.	B. & P.	Total	I. R. & D.	B. & P.	Total
Fiscal year:										
1973	30	$594,292	$320,312	$914,604	$453,331	$259,398	$712,729	$170,617	$163,977	$334,594
1974	48	784,888	409,974	1,194,862	579,567	352,290	931,857	309,480	255,173	564,653
1975	4	33,390	14,225	47,615	25,866	13,165	39,031	15,214	10,548	25,762

PART II

Latest available Defense Contract Audit Agency statistics, estimated to the extent necessary, on the Independent Research and Development (IR&D) or Bid and Proposal (B&P) payments made to major defense contractors, whether or not covered by Subsection (a)(1) of this Section [203, PL 91-441] during the preceding calendar year.

The statistics required are provided in the attached DCAA report. The report shows total IR&D and total B&P costs incurred by the contractors reviewed, the amount accepted or recognized by the Department of Defense and the DoD share. In addition, total sales of the contractors are shown along with the portion representing DoD sales.

The amount listed on Page 1 under the column heading "Amount Accepted by Government" represents the sum of the ceilings negotiated with individual contractors as well as the sum of amounts recognized for other contractors who had no advance agreements. These accepted amounts are not the costs reimbursed by the DoD but are the amounts that the DoD recognizes for allocation to all the contractors' business. The DoD portion is shown under the column headed "DoD share."

On pages 2 and 3 of the report the totals shown on page 1 are broken down to show, respectively, the portions applicable to contractors for which advance agreements were required, and the portion applicable to contractors for which advance agreements were not required. The foreword appearing in the DCAA report explains the basis for the cost data reported, but we would like to call particular attention to note A on page 1 regarding foreign military sales. These sales and IR&D/B&P costs should be subtracted from the amounts shown in the report to determine the amounts applicable to the Department of Defense. This adjustment is as follows (all figures are in millions):

	1973	1974
Sales to DOD per report	$21,148	$21,690
Less foreign military sales	1,027	1,353
Net sales to the DOD	20,121	20,337
DOD share of I. R. & D./B. & P. per report	801	808
Less amounts absorbed by sales to foreign Governments	38	42
Net costs charged to DOD	763	766

In the report furnished last year we included data on the cost increases resulting from first-time burdening by many contractors. There was little or no impact due to increased burdening in 1974, because full implementation of the accounting practice of applying burden to IR&D/B&P costs was completed by most contractors in 1973. Thus 1973 and 1974 cost data are comparable in this respect.

It will be noted that data for both 1973 and 1974 are furnished. It has been the practice to update data previously furnished because latest year figures include significant amounts of estimated information. The 1973 figures presented here have had most of the estimated data replaced with actual data. The report furnished next year will similarly update the 1974 data furnished herewith.

FOREWORD

This summary report presents the latest available Defense Contract Audit Agency (DCAA) statistics, estimated to the extent necessary, on the independent research and development (IR&D) and bid and proposal (B&P) payments made to defense contractors. The statistical data are submitted for inclusion in the annual report to be submitted by the Secretary of Defense to the Congress on or before 15 March 1975, in accordance with paragraph (c), Section 203, Public Law 91-441. The data set forth in this statistical summary report are similar in nature to the information previously furnished to the Office of the Assistant Secretary of Defense (Installations and Logistics) (OASD (I&L)), for contractor fiscal years 1972 and 1973.

The summary of page 1 is an overall presentation of IR&D and B&P costs incurred by 90 defense contractors during their fiscal years 1973 and 1974, amounts accepted by the Government, and the Department of Defense (DoD) share of amounts so accepted. The column "Amount Accepted by the Government" contains amounts considered allowable and allocable to all contractor work performed—Government and commercial. The DoD share of the costs accepted each year is the contractors' allocation of such costs to DoD work. In addition, this summary shows related sales achieved by the 90 contractors, comprising 236 reporting divisions and-or operating groups.

As in past reports, the defense contractors represented in this summary are those which had an annual auditable volume of costs incurred of $15 million or required 4,000 or more man-hours of DCAA's direct audit effort per year. In addition, other contractors who, although not meeting the above criteria, negotiated IR&D and B&P advance agreements are being reported for the first time in order that the summary on page 2 will be compatible with the data in the Reports on IR&D and B&P Advance Agreements Negotiated with Defense Contractors prepared by Army, Navy, Air Force and DSA. Contractors specifically excluded from this summary are construction companies; educational institutions; foreign contractors and overseas operations of U.S. contractors; insurance companies; marine transport contractors; and military medicare contractors. These contracting activities incurred nominal or no IR&D and B&P costs. Details in support of the summary are contained in a separate statistical report, designated "FOR OFFICIAL USE ONLY," copies of which are available through OASR(I&L) or DCAA.

DCAA obtained the IR&D and B&P cost and sales data from contractors' records, but such data do not necessarily represent audited amounts. Included in the costs shown are amounts accepted by the Government in overhead negotiations and through advance agreements. Where actual cost and sales data were not available, as in the case of contractors who had not completed the closing of their books for 1974, DCAA auditors obtained reasonable estimates. It should be noted that the contractor sales shown do not necessarily equal total contractor sales, but rather the sales of the individual contractor divisions and-or operating groups that are listed in DCAA's detailed supporting report.

The summary on page 2 indicates the extent of advance agreements in effect during 1973 and 1974. The summary on page 3 shows costs not subject to advance agreements.

SUMMARY OF INDEPENDENT RESEARCH AND DEVELOPMENT AND BID AND PROPOSAL COSTS INCURRED AND SALES ACHIEVED BY MAJOR DEFENSE CONTRACTORS FOR CONTRACTOR FISCAL YEARS 1973 AND 1974

[In millions of dollars]

	1973			1974		
	Costs incurred	Amount accepted by Government	DOD share	Costs incurred	Amount accepted by Government	DOD share
Independent research and development (I.R. & D.)	1,164	896	441	1,148	901	457
Bid and proposal (B. & P.)	553	515	360	546	504	351
Total I.R. & D. and B. & P. costs	1,717	1,411	[1] 801	1,694	1,405	[1] 808
Sales:						
Total Government and commercial	[1] 37,635			[1] 40,405		
Total DOD		[1] 21,148			[1] 21,690	

[1] Included in the data are the sales to foreign governments placed through DOD contracts and reimbursed to DOD by such foreign governments in the amounts of $1,027,300,000 and $1,353,500,000 for 1973 and 1974, respectively, as well as the applicable I.R. & D. and B. & P. costs allocable to these sales in the amounts of $38,200,000 and $42,000,000 for 1973 and 1974, respectively.

FOR CONTRACTOR FISCAL YEARS 1973 AND 1974 WITH ADVANCE AGREEME

[In millions]

	1973				1974			
	Costs incurred	Amount accepted by Gov-ment	DOD share	Number of contractor divisions	Costs included	Amount accepted by Gov-ment	DOD share	Number of contractor divisions
Independent research and development (I.R. & D.)	$1,135	$869	$431	183	$1,115	$869	$445	183
Bid and proposal (B. & D.)	524	486	343	179	515	475	334	181
Total I.R. & D. and B. & P. costs	1,659	1,355	774		1,630	1,344	779	

FOR CONTRACTOR FISCAL YEARS 1973 AND 1974 WITHOUT ADVANCE AGREEMENTS

Independent research and development (I.R. & D.)	$29	$27	$10	51	$33	$32	$12	53
Bid and proposal (B. & P.)	29	29	17	55	31	29	17	55
Total I.R. & D. and B. & P. costs	58	56	27		64	61	29	

NOVEMBER 27, 1974.

GUIDELINES FOR CONTRACTOR PRESENTATION OF INDEPENDENT RESEARCH AND DEVELOPMENT INFORMATION

A contractor desiring to negotiate an advance agreement for costs of independent research and development (IR&D) projects in accordance with the provisions of ASPR 15-205.35 is required to prepare an annual Technical Plan setting forth the scope and costs of such projects. The Technical Plan assists in determining the potential military relevancy (PMR) and in evaluating the reasonableness and the technical quality of the contractor's IR&D program in accordance with existing law and the ASPR. The Technical Plan shall be submitted no later than 90 days after the beginning of a company's fiscal year. Separate copies of the Technical Plan (hereinafter called the Plan) will be distributed to DoD and NASA organizations for evaluation in accordance with a distribution list provided by the IR&D Technical Evaluation Group.

A. GENERAL GUIDANCE

1. Compiling the Plan. To obtain a timely review of the contractor's proposed IR&D program for the year, a Plan is often separated into group of projects or into individual projects so that the various group or individual projects may be evaluated by several people at the same time. The plan should, therefore, be compiled in such a manner that it is easily separated and reassembled. Binders which are convenient to use yet inexpensive are suggested. Spiral binders should not be used. For ease in locating the Plan when filed, the name of the company, the title and the company fiscal year covered by the Plan, should appear on the bound edge of the document.

2. Organization of the Plan. The Plan should generally contain the following sections and information:

a. Technical Evaluation Group Cover Letter and Distribution List
b. Title Page
c. Table of Contents
d. Introduction
e. Summary of Financial Data
f. Project Descriptions

a. Technical Evaluation Group Cover Letter and Distribution List—These items are provided to you by the Lead Military Department. The cover letter identifies the IR&D focal point to whom IR&D project evaluation forms completed by Government evaluators are to be sent.

b. Title Page—A title page should give the title of the Plan, the company/division name and mailing address, the IR&D contact with telephone number, the company fiscal year covered by the Plan, the date of issuance of the Plan by month and year, the volume number and the total number of volumes if the Plan requires more than one volume.

c. Table of Contents—The information should be displayed under the following headings:

TABLE OF CONTENTS

Project No.
Project Title
COSATI Code*
Category**
Page

*COSATI Field/Group

**Research, Development, System Studies (research projects should be separately identified into basic and applied if possible)

d. Introduction—This section should briefly explain the compilation of the various volumes of the Plan and, further, should explain the relationship of the individual volumes to particular organizational elements by highlighting on a corporate organization chart the pertinent elements involved. Included in this section should also be a discussion of where IR&D is performed and how it's costs are allocated within the corporate structure.

e. Summary of Financial Data—A table of pertinent project financial data should be included in the following format for projects that are new or continuing and that were completed or cancelled in the prior year:

FINANCIAL DATA SUMMARY

[In thousands of dollars]

Project number and title	Tech plan page number	COSATI code	Category	Prior year proposed program	Prior year actual program	Current year proposed program

f. Project Descriptions—The project descriptions should be compiled by a convenient or useful compilation such as technological or system areas or by project number. Explain the rationale for the compilation.

3. Classified Projects—Project descriptions discussing technology with established military security classification should be compiled separately in a properly classified volume and distributed using proper Industrial Security Procedures. Each Service will provide the company a separate list for distribution of the classified volume within that Service when that Service's IR&D Technical Manager is made aware of the existence of the classified volume.

4. Company Proprietary Projects—Highly sensitive company projects can be separately compiled and can be handled by the Government in a manner similar to classified projects if requested by the company. All volumes of the Plan should be marked "Company Proprietary" if appropriate, not "Company Confidential" or "Company Secret." Such "Confidential" or "Secret" markings may be misinterpreted by DoD mail handlers. Any page within a volume should be marked "Company Proprietary" if appropriate so that any page separated from the volume will still be controlled.

B. PROJECT DESCRIPTIONS

1. A writeup should be prepared for each IR&D project the company is planning to conduct during the company fiscal year of the Plan and for each project completed or cancelled in the previous fiscal year. In this context a project is defined as the smallest segment into which research and development efforts are normally divided for purposes of company administration. A project is usually technically distinguishable in scope and objective from other efforts with which it may be aggregated for financial and administrative purposes. For example, a system study or development effort (which could be a project of itself) could include several potential subsystems each of which have distinct technical problems for which projects are established. In general, an IR&D project will not be determined by size or funding level but by technical considerations. However, a project will usually involve at least one man-year of effort.

2. Each project writeup should begin on a right hand page to ease separation of the writeup for project evaluation.

3. Each project writeup shall begin with a one page partial synopsis of key project information as required by DDC Form 271 dated 4 October 1974. When the DDC Form is used as the project synopsis in the technical plan, the narrative concerning technical approach and progress shall be blanked out. The complete synopsis shall be the input to the IR&D Data Bank and shall therefore be completed in accordance with the instructions of Section IV of DSAM 4185.9, Independent Research and Development Data Bank Input Manual. To minimize the input software requirements at DDC, no deviation in the format of DDC Form 271 can be permitted.

4. Following the synopsis, the complete project narrative should be organized under the following subject headings:

Problem.
Objective.
Approach.
Progress.
Costs.
Résumés.

While the project narratives are the key parts of the Plan, every effort should be made to keep these writeups brief and factual. As a guide, experience has shown that three to five pages including the synopsis are often sufficient to describe a one to five man-year effort.

a. Problem. The problem which the project is or was addressing should be identified and described from a technical or operational standpoint. The background surrounding the problem should be briefly summarized. Current technology state-of-the-art or current equipment subsystem or system capability could be described and the deficiency that this level of the state-of-the-art or capability produces should be identified. The relationship of the project to DoD requirements, objectives or needs should be cited by identifying pertinent DoD planning or requirement documents as well as interesting DoD organizations.

b. Objective. Within the context of the problem, the project's technical objectives should be identified and described. If the project is run over several years, the overall objective should be described as well as the objective of the current fiscal year or immediate past year in the case of a completed or cancelled project. Quantitative terms should be used if possible and appropriate.

c. Approach. The overall technical approach to be used to achieve the overall objective should be described as should this year's specific technical approach for achieving the current year's objective. Emphasis should be on the method, technique and design approach rather than schedules or milestone. The specific tests and equipments, theoretical work being conducted, and factors which may tend to accelerate or decelerate the work should be outlined. In the case of a completed or cancelled project, the approach which was taken should be explained.

d. Progress. The progress made during the immediate past year should be summarized. The technical objective of the past year should be indicated followed by a discussion of progress made during the past year in achieving that objective. The implication of the results both to the overall project objective (see section on Objective) and to the technical approach utilized for the project should be described. Facts and data should be presented whenever possible. Charts, tables and photographs which aid in the explanation of the progress made should be used. Significant reports generated within the reporting period should be identified by number, title and date at the end of this section.

e. Costs. Provide a table of cost data including all direct costs and also all allocable indirect costs except general and administrative costs, broken in the following manner:

Project number and fiscal year	Dollars			
	Labor	Material	Other	Total
Prior				
Current				

Explanations may be offered, following the table, of situations which may appear unusual. For example, a project requiring a high amount of computer or other facility time might cause the dollar amount in "Other $'s" to appear high in comparison to the dollars of labor. Similarly, a project utilizing a large amount of subcontracting might reflect unusual ratios of dollars among the cost classes which would be worthy of explanation. The costs to be entered here are for the purposes of technical evaluation and not project cost audit. Average burden rates, if more than one burden pool charges to an IR&D project, are acceptable.

f. Résumés of Principal Investigators. Résumés of the principal investigators of each basic research project should be included as the last section of the project description of that basic research project. Each résumé should not exceed one page and should contain the following:

Full Name.
Job Title.
Formal Education: Field; Degrees; Years Received; University.
Work Experience: What; With Whom; and When.
Significant Work, Papers, Reports and Patents.

If an investigator is responsible for more than one basic research project, his résumé should be repeated in each project to facilitate separation of the projects for individual evaluation.

C. DOD CONTACTS

Any questions concerning these guidelines should be referred to the IR&D Technical Evaluation Group member noted below representing the Military Service responsible for negotiating the IR&D Advance Agreement with the company.

Army: Commander, Army Materiel Command, AMCRD–T, Washington, D.C. 20315 (202) 274–9335.

Navy: Office of Naval Research, Code 400A, Ballston Tower #1, 800 Quincy Street, Arlington, Virginia 22217 (202) 692–4024.

Air Force: Headquarters AFSC/DLXB, Andrews Air Force Base, Washington, D.C. 20334 (301) 981–2482.

INDIVIDUAL DATA ELEMENT DESCRIPTIONS

A. GENERAL

The following paragraphs contain descriptions of data elements which comprise inputs to an IR&D project record in the DoD IR&D Project Data Bank. The paragraphs also provide instructions for entering each data element on the DDC Form 281 layout shown in Appendix A.

B. DDC FORM 271, INDEPENDENT RESEARCH AND DEVELOPMENT DATA SHEET

1. The DDC Form 271 is to serve both as the project synopsis in the contractor's annual IR&D Technical Plan and as the principal source data sheet for the DoD IR&D Data Bank. The DDC Form 271 *only*, for each project described in the contractor's Technical Plan, should be forwarded to the DDC contact point at the time of distribution of the Technical Plan. The contractor may, at his option, forward at this same time only projects which have actually started. The DDC Form 271 for projects described in the Technical Plan but not actually started and for new projects started during the contractor's fiscal year may be forwarded at the time of project initiation.

2. Those contractors who wish to provide machinable inputs such as punched cards or magnetic tape are encouraged to do so and should contact the DDC contact point for specific instructions.

3. The DDC Form 271 is designed so that a minimum of effort is required of the contractor and the input process can be expedited. For the foregoing reasons, the contractor is requested not to deviate from the DDC Form 271 format or character assignment. Supplies of DDC Form 271 are maintained by DDC and may be obtained from the DDC contact point. At their discretion, companies may locally reproduce or overprint the form.

C. DATA ELEMENT DESCRIPTIONS

1. Technical Plan Fiscal Year (2 characters). Enter the last two digits of the fiscal year covered by the Technical Plan.

2. DDC Form 271 Report Submission Date (6 characters). Enter the date, in a 6 digit format, that the project report (DDC Form 271) is submitted; calendar year (two digits), month (two digits) and day (two digits), in that order. If the project is described in the Technical Plan and has started, then this date in month and year will coincide with the month and year the Technical Plan was issued.

3. Report Type (1 character). Enter one of the following report type codes:

A—Initial submission of any new project.
B—Report describing a project continuing into the current fiscal year from the previous one.
C—A correction to a previous submission. (Submission of a C-type report will not change the existing report type or date of report.)
K—Report describing completion of a project.
T—Report describing termination of a project.

4. IR&D Project Number (Up to 10 characters). Enter a specific project number for the work described. If the work was described in the Technical Plan, use the same project number as the Technical Plan. If the work was not described in the technical plan, assign a unique number to the project. Generally, this number should be preserved throughout the life of the project. However, if the project evolves into new projects or changes in category and objective sufficiently to warrant a new project number, then traceability should be assured by identifying the old project number in Field 18, Related Projects—Previous Years.

5. Unclassified Project Title (Up to 122 characters). Enter an unclassified, descriptive title of the project. This title should refer to a specific system or to a technology or a general area of application of the study or effort. If there are two discrete levels of a project title, enter continuously, but separate by some appropriate punctuation as a dash, colon or semicolon.

6. Name and Address of Performing Organization. Enter name and address both of the parent organization and the performing organization if they differ.

Level 1—Name of the Major or Parent Organization, if applicable. (Up to 61 characters.)

Level 2—Name of Organizational entity actually performing the project. (Up to 61 characters.)

Level 3—Performing Organization Street Address. (Up to 61 characters.)

Level 4—Performing Organization City, State and Zip Code. (Up to 61 characters.)

7. Name and Telephone Number of Technical Plan Focal Point.

Name (up to 41 characters. Enter the last name, followed by a comma, the first name and middle initial, separated by spaces, of the company point of contact for the IR&D program. This is the responsible company official for the technical plan.

Telephone (Up to 20 characters). Enter the commercial phone number, including area code and extension, of the IR&D Technical Plan focal point. Enter elements of phone number separated by dashes; e.g., 203–565–4399–12345.

8. *Technical Plan Volume and Page Number* (Up to 11 characters). Enter the identification of the volume, if any, and page number(s) containing a more detailed description of the project. If the project does not relate to an item in a Technical Plan, enter one of the following 2-letter codes:

PI—Project initiated after Technical Plan was published

PC—Project substantially changed from what was originally in the Technical Plan.

9. *Category of IR&D Work* (1 character). Enter one of the following single-letter codes to identify the category of the work. Definitions of IR&D categories are contained in the Armed Services Procurement Regulation, paragraph 15–205.35.

R—Research (research projects should be divided into basic (B) or applied (A) is possible)

D—Development

S—Systems and other Concept Formulation Studies

10. *Subject Category Field and Group Codes* (Up to 6 characters, each code). Enter at least one Subject Category Field and Group Code from Appendix E. Put the most relevant code in the first field, the next most relevant in the second, etc. *Only the codes listed in Appendix E are acceptable.*

11. *Project Start Date* (4 characters). Enter the last 2 digits of the calendar year and the month (01 through 12) of the date on which work on the project started for continuing or completed projects and the "will start" date for new projects.

12. *Project Completion Date* (4 characters). Enter the estimated or anticipated completion date for the project as calendar year (2-digits) and month (01 through 12), in that order. "INDF" may be entered if the project has an indefinite completion date. For completed or cancelled projects give actual completion or cancellation date.

13. *Professional Man-Years Expenditure Estimate for Current Fiscal Year* (4 characters). Enter the estimate of the professional man-year* expenditure on the project for the current fiscal year to the nearest tenth of a man-year. Insert a decimal point to identify tenths. Otherwise, figure(s) will be assumed to be a whole number.

Actual Expenditures to Date (4 characters). Enter the actual expenditure of professional man-years on this specific project number to date to the nearest tenth of a man-year. Insert decimal point to identify tenths. Otherwise, figure(s) will be assumed to be whole number(s).

Security Classification. For classification authority reference Section II, paragraphs 10d (ii), and 10f in DoD 5220.22–M, Industrial Security Manual for Safeguarding Classified Information and DoD 5200.1–R, DoD Information Security Program Regulation. For classification definitions reference Section I, paragraph 3 of DoD 5220.22–M. For regarding definitions reference Appendix II to DoD 5220.22–M and DoD 5200.1–R.

14. Security Classification Code of the Data Sheet (Up to 3 characters). Enter one of the following codes to describe the established or tentative security classification of the data sheet. This field will reflect the security classification of the DDC Form 271. The code entered in this field must reflect an equal or higher security classification than that of the narrative—Fields 21, 22, 23 and 24:

Security Classification Codes

U—Unclassified.

C—Confidential.

S—Secret.

CRD—Confidential Restricted Data.

CFR—Confidential Formerly Restricted Data.

SRD—Secret Restricted Data.

SFR—Secret Formerly Restricted Data.

CT—Confidential-Tentative (Protect as Confidential).

ST—Secret-Tentative (Protect as Secret).

If the IR&D Data Sheet (DDC Form 271) is classified, in addition to the notation in Field 14, the sheet will be stamped as prescribed in DoD 5220.22–M, Industrial Security Manual for Safeguarding Classified Information, Section II, item 11. The security classification of the data sheet must not be lower than the highest classification of any paragraph. Classification Authority and Declassification Dates must also be written on the Data Sheet.

15. Regarding Code (1 character). Enter the appropriate regrading code for each classified data sheet where item 14 (Data Sheet Classification) is C, S, CRD, CFR, SRD, or SFR. If the data sheet is unclassified or has only a tentative classification (item 14—U, CT, or ST), item 15 must be blank. Enter one of the following codes:

Code, symbol, and explanation.

A, GDS, General Declassification Schedule.

B, ADS, Optional Accelerated Downgrading.

C, XGDS–1, Exempted—Cat. 1 (Furnished by Foreign Government).

D, XGDS–2, Exempted—Cat. 2 (Special—covered by statute).

E, XGDS–3, Exempted—Cat. 3 (Disclosing a system, plan, project, etc.).

F. XGDS–4, Exempted—Cat. 4 (Disclosure means personal jeopardy).

G, Excl., Excluded from GDS (Pending originator review).

H, RD or FR, Restricted Data or Formerly Restricted Data.

M, Multi., Multiple exemption categories apply.

16. Technical Contact

Name (Up to 41 characters). Enter the last name, followed by a comma, the first name and middle initial, separated by spaces, of a point of contact for additional technical information about the project.

Example: Doe, John J.

Telephone (Up to 20 characters). Enter the commercial phone number, including area code and extension, of the project contact point. Enter elements of phone number separated by dashes: eg., 203–565–4399–12345.

This contact should be either the principal investigator or an individual close enough to the project to be able to answer technical questions.

17. Related Projects in Current Fiscal Year Program (Up to 10 characters, per project). Enter up to three project numbers from the current company fiscal year program which are directly related to the project being reported. This correlation of the project with others in the same year's program will assist in viewing it as part of the overall program rather than as a separate entity. If a "PC" was entered in Field 8, enter the project number from the technical plan from which this project evolved.

18. Related Projects in Previous Fiscal Year Program (Up to 10 characters per project). Enter up to three project numbers from previous company fiscal years that contributed to or led to the present project. This Field differs from Field 17 in that Field 18 looks at a project's progression from year to year whereas Field 17 looks at parallel projects in a single year. Both Fields can help considerably in searching for technical information in the data bank.

19. Keywords (Up to 30 Keywords of 50 characters each). Enter at least five keywords which relate to the subject covered by the report. A keyword can be a single word or a group of words. Keywords will be used in conjunction with other elements on the record to retrieve project summaries. Do not use punctuation in the entry. All keywords must be unclassified. "Cryogenics," "lightweight radar," and "space vehicle navigation" are examples of keywords. Avoid the use of complete phrases which include prepositions and conjunctions, e.g., navigation of space vehicles. A suggestion for the first few keywords would be systems, subsystems, or application oriented words. The title and text may describe work on a guidance or a signal processing project but could fail to mention that it was missle guidance not aircraft guidance or that it was a signal processing of sonar signals and not radar signals. It would be of great help to be able to distinguish the application. Many research projects may not have a specific application but could have an area of application.

For example, materials research could have applications to structures, coatings, electronics, optics, lubricants, etc. Also, select a group of words which are technically descriptive of the project. For example, if there were a project on a miniature stereoscopic display for a space application involving the use of laser holography, a keyboard chain could be maser, laser, spacecraft display, three dimensional display, Argon, holography, optics, miniaturization, navigation, reliability, high intensity Military Standard—847A, 31 January 1973, Format Requirements for Scientific and Technical Reports Prepared by or for the Department of Defense, page 19, paragraph 20.20 implement format standards, including selection of terms, for the Department of Defense. The DDC Retrieval and Indexing Terminology, Preliminary Edition, AD–773 300, can also be helpful. These will not guarantee ideal indexing, but they offer an inexpensive step in that direction.

20. Related DoD Technical Planning and Requirement Documents & Interested DoD Organization (Up to 10 of 60 characters each). The purpose of these entries is twofold. First, to give contractors the opportunity to identify any DoD technical planning or requirements documents to which this project is responsive in order to assist in the determination that the project meets the basic tests of relevancy. Second, to assist the Government individual responsible for distributing the IR&D projects to direct the project to the appropriate evaluators. This should help assure the contractor the most appropriate technical evaluation by having the contractor identify organizations or people who know of this IR&D work; or those who have expressed an interest in the project. Typical examples of DoD technical planning or requirements documents are: Required Operational Capabilities (ROC), Technology Needs (TN), Technical Objective Documents (TOD). In identifying interested DoD organizations, the organization's abbreviation or symbols may be used. Where an individual is identified, his organization should also be identified.

Fields 21, 22, 23 and 24. The narrative portions of the project record comprises 4 data element abstracts—Problem (Field 21), Objective (Field 22), Approach (Field 23) and Progress (Field 24). These paragraphs should provide a technical description of the work, its purpose and progress. While these narratives should be brief, they should be sufficient to identify the project and the technology or system/equipment involved.

A maximum of 3600 characters is allowed for the entire narrative portion. This allowance may be divided among the 4 narrative fields in any way desired as long as the combined length of the 4 fields does not exceed 3600 characters. Include security classification at the beginning of each narrative field.

Problem (Field 21)—The problem which the project is or was addressing should be

*Professional Man-Years represent all the scientific and engineering time that a scientist or technically-trained person who has received at least a bachelor's degree (or the equivalent) expends directly on the IR&D work being reported. Excluded are skilled craftsmen, laboratory assistants, programers, shop workers, secretaries, and other personnel providing nontechnical support and services.

identified and described from a technical or operational standpoint. The background surrounding the problem should be briefly summarized. Current technology state-of-the-art or curent equipment, subsystem or system capability could be described and the deficiency that this level of the state-of-the-art or capability produces should be identified.

Objective (Field 22)—Within the context of the problem, the project's technical objectives should be identified and described. If the project is to run several years, the overall objective should be described as well as the objective of the current fiscal year or immediate past year in the case of a completed or cancelled project. Quantitative terms should be used if possible and appropriate.

Approach (Field 23)—The overall technical approach to be used to achieve the overall objective should be described as should this year's specific technical approach for achieving the current year's objective. Emphasis should be on the method, technique and design approach rather than schedules or milestone. The specific tests and equipments, theoretical work being conducted, and factors which may tend to accelerate or decelerate the work should be outlined. In the case of a completed or cancelled project, the approach which was taken should be explained.

Progress (Field 24)—The progress made during the immediate past year should be summarized. The technical objective of the past year should be indicated followed by a discussion of progress made during the past year in achieving that objective. The implication of the results both to the overall project objective (see section on Problem/Objective) and to the technical approach utilized for the project should be described. Facts and data should be presented whenever possible. Significant reports generated within the reporting period should be identified by number, title and date at the end of this section.

APPENDIX A: NOVEMBER 27, 1974

Independent research and development data sheet.

1. Tech plan FY.
2. Report date.
3. Report type.
4. Project No.

Furnished in confidence and subject to exemption under Subsection b of 5 USC 552. The information contained herein is the property of the company indicated in Item 6 below is furnished for the sole purpose of identifying the subject program and shall not be disclosed other than to duly authorized Government personnel. Any authorized reproduction or disclosure of the information contained herein, in whole, or in part, shall include this notice.

5. Project title (unclassified).
6. Organization; name and address.
7. Technical plan focal point; name, telephone.
8. Plan vol/pg no.
9. Category.
10. Subject category fields and groups.
11. Project start date.
12. Completion date.
13. Prof man year: est this yr.; cum to date.

Security classification:

14. Data sheet.
15. Regrade code.
16. Technical contact: telephone.

Related projects:

17. Current year.
18. Previous years.
19. Keywords.
20. Related DOD technical planning and requirements documents and interested DOD organ.
21. Problem.
22. Objective.
23. Approach.
24. Progress.

APPENDIX B: SUBJECT FIELD AND GROUP STRUCTURE

01 Aeronautics:
01 Aerodynamics.
02 Aeronautics.
03 Aircraft.
04 Aircraft flight instrumentation.
05 Air facilities.
02 Agriculture:
01 Agricultural chemistry.
02 Agricultural economics.
03 Agricultural engineering.
04 Agronomy and horticulture.
05 Animal husbandry.
06 Forestry.
03 Astronomy and Astrophysics:
01 Astronomy.
02 Astrophysics.
03 Celestial mechanics.
04 Atmospheric Sciences:
01 Atmospheric physics.
02 Meteorology.
05 Behavioral and Social Sciences:
01 Administration and management.
02 Documentation and information technology.
03 Economics.
04 History, law and political science.
05 Human factors engineering.
06 Humanities.
07 Linguistics.
08 Man-machine relations.
09 Personnel selection, training and evalution.
10 Psychology (*Individual and group behavior*).
11 Sociology.
6 Biological and Medical Sciences:
01 Biochemistry.
02 Bioengineering.
03 Biology.
04 Bionics.
05 Clinical medicine.
06 Evironmental biology.
07 Escape, rescue and survival.
08 Food.
09 Hygiene and sanitation.
10 Industrial (*Occupational*) medicine.
11 Life support.
12 Medical and hospital equipment and supplies.
13 Microbiology.
14 Personnel selection and maintenance (*Medical*).
15 Pharmacology.
16 Physiology.
17 Protective equipment.
18 Radiobiology.
19 Stress physiology.
20 Toxicology.
21 Weapon effects.
07 Chemistry:
01 Chemical engineering.
02 Inorganic chemistry.
03 Organic chemistry.
04 Physical chemistry.
05 Radio and radiation chemistry.
08 Earth Sciences and Oceanography:
01 Biological oceanography.
02 Cartography.
03 Dynamic oceanography.
04 Geochemistry.
05 Geodesy.
06 Geography.
07 Geology and mineralogy.
08 Hydrology and limnology.
09 Mining engineering.
10 Physical oceanography.
11 Seismology.
12 Snow, ice and permafrost.
13 Soil mechanics.
14 Terrestrial magnetism.
09 Electronics and Electrical Engineering:
01 Components.
02 Computers.
03 Electronic and electrical engineering.
04 Information theory.
05 Subsystems.
06 Telemetry.
10 Energy Conversion (*Non-propulsive*):
01 Conversion techniques.
02 Power sources.
03 Energy storage.
11 Materials:
01 Adhesive and seals.
02 Ceramics, refractories and glasses.
03 Coatings, colorants and finishes.
04 Composite materials.
05 Fibers and textiles.
06 Metallurgy and metallography.
07 Miscellaneous materials.
08 Oils, lubricants, and hydraulic fluids.
09 Plastics.
10 Rubbers.
11 Solvents, cleaners and abrasives.
12 Wood and paper products.
12 Mathematical Sciences:
01 Mathematics and statistics.
02 Operations research.
13 Mechanical, Industrial, Civil and Marine Engineering:
01 Air conditioning, heating, lighting and ventilating.
02 Civil engineering.
03 Construction equipment, materials and supplies.
04 Containers and packaging.
05 Couplings, fasteners and joints.
06 Ground transportation equipment.
07 Hydraulic and pneumatic equipment.
08 Industrial processes.
09 Machinery and tools.
10 Marine engineering.
10.1 Submarine engineering.
11 Pumps, filters, pipes, tubing and valves.
12 Safety engineering.
13 Structural engineering.
14 Methods and Equipment:
01 Cost effectiveness.
02 Laboratories, test facilities, and test equipment.
03 Recording devices.
04 Reliability.
05 Reprography.
15 Military Sciences:
01 Antisubmarine warfare.
02 Chemical, biological, and radiological warfare.
03 Defense.
03.1 Antimissile defense.
04 Intelligence.
05 Logistics.
06 Nuclear warfare.
07 Operations, strategy, and tactics.
16 Missile Technology:
01 Missile launching and ground support.
02 Missile trajectories.
03 Missile warheads and fuzes.
04 Missiles.
04.1 Air and space launched missiles.
04.2 Surface launched missiles.
04.3 Underwater launched missiles.
17 Navigation, Communications, Detection, and Countermeasures:
01 Acoustic detection.
02 Communications.
02.1 Radio communications.
03 Direction finding.
04 Electromagnetic and acoustic countermeasures.
05 Infrared and ultraviolet detection.
06 Magnetic detection.
07 Navigation and guidance.
08 Optical detection.
09 Radar detection.
10 Seismic detection.
18 Nuclear Science and Technology:
01 Fusion devices (*Thermonuclear*).
02 Isotopes.
03 Nuclear explosions.
04 Nuclear instrumentation.
05 Nuclear power plants.
06 Radiation shielding and protection.

07 Radioactive wastes and fission products.
08 Radioactivity.
09 Reactor engineering and operation.
10 Reactor materials.
11 Reactor physics.
12 Reactors (*Power*).
13 Reactors (*Non-power*).
14 SNAP technology.
19 Ordnance:
01 Ammunition, explosives and pyrotechnics.
02 Bombs.
03 Combat vehicles.
04 Explosions, ballistics and armor.
05 Fire control and bombing systems.
06 Guns.
07 Rockets.
08 Underwater ordnance.
20 Physics:
01 Acoustics.
02 Crystallography.
03 Electricity and magnetism.
04 Fluid mechanics.
05 Masers and lasers.
06 Optics.
07 Particle accelerators.
08 Particle physics.
09 Plasma physics.
10 Quantum theory.
11 Solid mechanics.
12 Solid state physics.
13 Thermodynamics.
14 Wave propagation.
21 Propulsion and Fuels:
01 Air breathing engines.
02 Combustion and ignition.
03 Electric propulsion.
04 Fuels.
05 Jet and gas turbine engines.
06 Nuclear propulsion.
07 Reciprocating engines.
08 Rocket motors and engines.
08.1 Liquid rocket motors.
08.2 Solid rocket motors.
09 Rocket propellants.
09.1 Liquid rocket propellants.
09.2 Solid rocket propellants.
22 Space Technology:
01 Astronautics.
02 Spacecraft.
03 Spacecraft trajectories and reentry.
04 Spacecraft launch vehicles and ground support.

DIRECTOR OF DEFENSE RESEARCH AND ENGINEERING,
Washington, D.C., October 21, 1974.

Memorandum for Assistant Secretaries of the Military Departments (Installation and Logistics); Assistant Secretaries of the Military Departments (Research and Development); Director, Defense Supply Agency.

Subject: Guidance for Negotiation of Independent Research and Development (IR&D)/Bidding and Proposal (B&P) Advance Agreements and for the Coupling of Negotiation and Technical Evaluation of IR&D/B&P.

The following guidance, as approved by the IR&D Policy Council, is to be used in the negotiation of IR&D/B&P advance agreements and for the coupling of technical evaluation results to the negotiation. This guidance supersedes that given in the joint DDRE/ASD (I&L) memo dated 18 April 1973.

1. It is essential that every effort be made to ensure that all contractors are treated equitably regardless of which Military Department, including DSA, is responsible for conducting the negotiation. The four Departmental Central Offices (see DPC No. 83) shall meet together from time to time under the leadership of OASD (I&L) IR&D focal point to (a) exchange views and information necessary to achieve equitable treatment of contractors, and (b) identify issues to be submitted to the IR&D Technical Evaluation Group or the IR&D Policy Council for resolution. In addition, each Departmental Central Office shall to the extent practicable assign representatives to attend and participate in prenegotiation and negotiation meetings conducted by the other Offices.

2. Each Departmental Central Office shall maintain sufficient documentation in the advance agreement negotiation file to provide the rationale for the dollar level established and for any other provisions of the agreement.

3. The results of the technical quality evaluation of a contractor's IR&D program shall have a meaningful and traceable effect on the negotiated ceiling.

4. Three-year advance agreements, with provision for adjustment when appropriate to the second and third year, should be used to the extent practicable.

5. In negotiating IR&D and B&P ceilings, inflationary or deflationary economic factors shall be given the same consideration as is given to any other cost in a contract price negotiation.

6. A technical representative associated with the evaluation of the company concerned shall participate to the extent practicable in the prenegotiation meetings during which negotiation objectives are established by the negotiating team.

7. Departmental Central Office negotiators shall have primary responsibility for reviewing each contractor's B&P projects and making the final determination of their potential relationship to military functions or operations. Those proposals solicited by DoD activities and those unsolicited proposals that resulted in DoD contracts shall be considered "potentially related." The relationship of all other B&P projects shall be determined on a case-by-case basis.

Since IR&D and B&P ceilings are interchangeable, potential relationship determination for each non-DoD B&P project shall be made on the same basis as for the IR&D determination. Therefore, the determination for the B&P effort shall be premised on the relationship of the technical effort to a military function or operation rather than to which customer the proposal is submitted. Negotiators shall obtain the comments and recommendations of cognizant ACOs and auditors, and, when appropriate, may refer a specific proposal project to the responsible IR&D Technical Evaluation Group representative for a recommendation.

Generally, determinations of B&P relationship cannot be made until the end of the fiscal year. However, to the extent that contractors can identify B&P projects at the time advance agreement negotiations take place, such determinations shall be made at that time. In any event, determinations shall be completed as soon after the end of each contractor's fiscal year as possible.

8. The costs of IR&D or B&P projects determined not to be potentially related may be included in the ceilings negotiated provided this procedure does not result in the allocation of a level of costs to DoD contracts that exceeds the total costs of all related projects. See ASPR 15-205.3(d)(2)(A)(v) and 15-205.35(d)(1)(E).

ARTHUR I. MENDOLIA,
Assistant Secretary of Defense (Installations and Logistics).
MALCOLM R. CURRIE,
Director of Defense, Research and Engineering.

DEPARTMENT OF DEFENSE INSTRUCTION

Subject: Establishment of Policy for, and Administration of, Independent Research and Development Programs (IR&D).

Reference:

(a) Armed Services Procurement Regulation (ASPR).
(b) DoD Instruction 5100.66, subject as above, February 29, 1972 (hereby cancelled).
(c) DoD Manual 7110.1-M, DoD Budget Guidance Manual, June 15, 1973, authorized by DoD Instruction 7110.1, August 23, 1968.

I. REISSUANCE AND PURPOSE

This Instruction reissues reference (b) to state the Department of Defense Policy for the recovery of the costs of contractors' IR&D programs; prescribes the role, mission, and composition of the Independent Research and Development (IR&D) Policy Council; assigns responsibilities; and outlines procedures for the administration of contractor Independent Research and Development (IR&D) programs, as defined and promulgated in reference (a). Reference (b) is hereby superseded and cancelled.

II. APPLICABILITY

The provisions of this Instruction apply to the elements of the Office of the Secretary of Defense and to the Military Departments.

III. DEFINITIONS

A. *The IR&D Policy Council* is an organization charged with developing, securing Secretary of Defense approval, and disseminating DoD policy and guidance essential to the administration of the DoD IR&D program, and related Bid and Proposal (B&P) activities.

B. *Relevant IR&D/B&P projects* are those that are considered to have a potential relationship to a military function or operation. Relevancy determination is part of the evaluation process.

C. *A Lead Department* is the Military Department responsible for arranging and conducting on-site reviews and for coordinating and summarizing technical evaluations of project descriptions in a contractor's IR&D technical plan.

IV. PRINCIPLES

A. IR&D/B&P is recognized by the DoD as a necessary cost of doing business particularly in a high technology environment. Through support, consistent with the cost principles established in reference (a), of contractor's IR&D/B&P programs, DoD seeks to:

1. Assure the creation of an environment which encourages development of innovative concepts for Defense systems and equipment which complement and broaden the spectrum of concepts developed internally to DoD.

2. Develop technical competence in two or more contractors who can then respond competitively to any one requirement DoD seeks from Industry.

3. Contribute as appropriate to the economic stability of its contractors by allowing each contractor the technical latitude to develop a broad base of technical products.

B. The basic purpose of the IR&D technical evaluation, and consequently the contractor technical plan, is to assist in the determination of IR&D projects' potential relationship to a military function or operation (PMR) and to assist in the evaluation of reasonableness and technical quality of the contractor IR&D program.

C. To assist the DoD Components in coordinating the DoD contract R&D and in-house-R&D programs with the IR&D program, a computer-based, IR&D data bank will be established at the Defense Documentation Center and will contain information on each IR&D project described in each contractor's IR&D technical plan. Personnel involved in planning and initiating new in-house or contract IR&D projects are strongly encouraged to query the IR&D Data Bank in order to be aware of similar efforts already underway through contractor IR&D.

D. The IR&D Data Bank is to be a centralized body of information useful in identifying what IR&D is being pursued by whom and for identifying the contacts in the performing organization for obtaining additional information. The Data Bank is not a real time reporting mechanism and it generally contains data only on those projects for which work has started.

E. Tri-Service participation in technical plan evaluation, on-site review and IR&D/B&P advance agreement prenegotiation is strongly encouraged in order to foster technical interchange and uniformity of treatment of contractors by the various DoD Components.

F. The objective of the on-site review is twofold: (1) to permit face-to-face technical dialogue between Government and Industry peers; and (2) to confirm, through on-site evaluation of a sample of the company's IR&D projects, the technical plan evaluation rating.

G. IR&D projects that lead to reduction in acquisition and support costs of defense systems and equipment shall be given the same consideration as is given to projects exploring the solution of critical performance deficiencies in our military capability.

V. RESPONSIBILITIES AND PROCEDURES

A. The Director of Defense Research and Engineering (DDR&E), as Chairman of the IR&D Policy Council, shall be responsible for convening the Council and for taking such actions as may be appropriate in carrying out the mission of the Council in accordance with its Charter (enclosure 1).

B. The Secretaries of the Military Department shall be responsible for the following:

1. Evaluation of Project Descriptions. Evaluate the written descriptions of IR&D projects furnished by companies, and submit to lead Department either a written evaluation report of each company's submitted IR&D programs or a statement of the reason it was not evaluated. The lead Department shall verify that the overall evaluation has been sufficiently comprehensive to permit the formation of a reasonable conclusion concerning the technical quality of the contractor's program. Further, the determination of potential relationship of IR&D projects to a military function or operation must consider enough projects that the dollar value of these projects equals or exceeds the dollar value of IR&D to be recovered in DoD contracts.

2. On-Site Review of Projects. Conduct, when assigned lead Department responsibility, an on-site review at least once every 3 years of those companies with whom the Government negotiates advance agreements for IR&D.

C. Defense Supply Agency shall establish and maintain and operate through the Defense Documentation Center the IR&D Data Bank.

D. IR&D Technical Evaluation Group.

1. Membership:

a. Each Military Department shall designate a Departmental IR&D Manager to carry out the functions set forth in VI.D.2.

b. The DDR&E shall appoint a chairman who, with the three Departmental IR&D Managers, will constitute the IR&D Technical Evaluation Group.

2. Responsibilities. The IR&D Technical Evaluation Group shall:

a. Establish, subject to the approval of the IR&D Policy Council, criteria and methodology that will be used uniformly by the Military Departments for performing the technical evaluations and establishing quality ratings of company IR&D programs.

b. Designate the lead Department for each company.

c. Establish uniform procedures for debriefing companies whose IR&D programs have been reviewed.

d. Provide guidance on the content and format for submitting companies' IR&D technical plans and on the conduct of on-site reviews.

e. Establish a schedule for submission of companies' IR&D technical plans.

f. Establish procedures for providing the Defense Contract Administration Services with technical evaluations of company-submitted IR&D project descriptions to support their negotiation of advance agreements required by law.

g. Establish, prior to the start of each calendar year, the annual schedule for on-site IR&D reviews.

h. Establish procedures for providing the Department-designated negotiator with a technical evaluation of each IR&D program for use in determining the IR&D advance agreement with each company.

i. Provide assistance to the contracting officers on an as needed basis in determining the relevance of B&P effort.

j. Provide assistance to DCAA and contracting officers as requested in resolving costs classification questions involving IR&D and B&P.

k. Establish the content and format of the IR&D Data Bank, subject to Policy Council approval.

E. Departmental IR&D Managers' Responsibilities. Each Departmental IR&D Manager shall:

1. Designate the organizations within his Department that are responsible for evaluating each company's IR&D projects.

2. Ensure an effective evaluation of the Company-submitted IR&D project descriptions.

3. Arrange for, and participate in, on-site IR&D reviews as required.

4. Assure the maintenance of an up-to-date distribution list for IR&D brochures.

F. Funding for Technical Evaluations. Each year the Military Departments shall submit, in their RDT&E budgets, estimates of the expenses required to support the technical evaluations of companies' IR&D programs. Details regarding the format for submittal shall be as prescribed in the DoD Budget Manual 7110.1-M (reference (c)).

VI. EFFECTIVE DATE AND IMPLEMENTATION

A. This Instruction is effective immediately.

B. Names of the Military Departments' IR&D Managers shall be forwarded to the Director, Defense Research and Engineering (DDR&E) within 30 days.

C. Two copies of implementing instructions shall be forwarded to the DDR&E within 60 days.

CHARTER OF THE DOD INDEPENDENT RESEARCH AND DEVELOPMENT POLICY COUNCIL

I. PURPOSE

This charter prescribes the mission, composition, and administration of the DoD Independent Research and Development (IR&D) Policy Council.

II. MISSION

The mission of the DoD IR&D Policy Council is to develop, secure Secretary of Defense approval, and disseminate DoD policy and guidance essential to the efficient administration of the DoD IR&D program, and related Bid and Proposal (B&P) activities. This policy and guidance shall encompass such facets of the program as: the proper level of DoD support required; an outline of the goals of IR&D and B&P; the mechanisms to be employed to increase or decrease the overall level of effort; guidance necessary to assure valid potential relevancy determinations; appropriate negotiation policies; and response to Congressional inquiries.

III. COMPOSITION

The members of the DoD IR&D Policy Council will be the Director of Defense Research and Engineering, who will serve as Chairman; the Assistant Secretaries of Defense (I&L) and (C); the Assistant Secretaries for (R&D) and (I&L) from the Army, the Navy, and the Air Force. A NASA representative and an AEC representative will participate as observers.

IV. OPERATION

A. The Director of Defense Research and Engineering will designate an individual to act as Secretary to the Council.

B. The Secretary to the Council will receive from members any items for discussion; prepare the agenda and minutes of each meeting; obtain the Chairman's approval of the agenda and minutes prior to issuance.

C. The Council will meet before the end of each calendar year for the purpose of establishing the IR&D/B&P objectives and guidelines for the next calendar year. Other meetings of the Council will be held at the call of the Chairman.

D. The Council may establish such ad hoc working groups as may be required for the accomplishment of matters which come before it.

E. The Council decisions will be implemented through official channels including that of the Technical Evaluation Group and its evaluation network.

V. DURATION

The Council will automatically terminate upon completion of its mission or not later than 2 years following its date of reaffirmation in accordance with committee management directives.

VI. DATE OF REAFFIRMATION

January 1, 1975.

TRIBUTE TO RALPH "SHUG" JORDAN ON HIS RETIREMENT AS HEAD FOOTBALL COACH AT AUBURN UNIVERSITY, AUBURN, ALA.

Mr. ALLEN. Mr. President, on April 2, during the recent Easter recess, I had the pleasure of attending the Annual Alabama Cable Television Association Awards Banquet in Birmingham. I had the honor of making the "Man of the Year" presentation—only it was actually the "Men of the Year" because the award was made jointly to Ralph "Shug" Jordan, head football coach of Auburn University, and Paul "Bear" Bryant, head football coach of the University of Alabama, based on their great and varied contributions to Alabama.

Late yesterday afternoon I learned that Coach Jordan had announced his retirement from his position, effective at the end of the 1975 football season.

Mr. President, Coach Jordan is a remarkable man, greatly loved and respected by all Alabamians—and by hundreds of thousands of Americans everywhere. He stands tall among his peers as a gentleman, as a teacher, as an image to be emulated by our youth, whether they played on his teams or competed against his teams or whether they engaged in sports at all.

Coach Jordan is the only active coach in the famed Southeastern Conference who was coaching in any sport when the conference was formed in 1933, and he

is now the dean of SEC head football coaches. He is the only active coach in the Nation to have a stadium named for him, Jordan-Hare Stadium, on the Auburn campus.

In 1968 Coach Jordan waged a life or death battle against cancer, and he made a miraculous recovery assisted by the prayers of thousands of his fellow Alabamians through Divine Providence and through his own fighting spirit. While, prior to his illness, he had devoted much of his spare time and effort to charity work and benevolent and civic work and to helping foster support for his beloved Auburn University, not only in athletics but in academic fields as well.

Since his illness he has gone harder than ever in his work, going anywhere in Alabama to speak to anyone about causes to help his fellow man.

He has, for the most part, put aside personal hobbies in order to devote more time to his charity and community work.

Over the years an almost mythical aura has come to surround the competition between teams coached by Shug Jordan and Bear Bryant. But the two are close personal friends who share a broad interest in charitable work. They have joined their efforts as cochairmen of statewide appeals probably more than anyone else in the South, or in the Nation.

Not many know that Coach Jordan is a history buff and is a considerable authority on Americana. He is also a student of Greek and Biblical literature, and end-of-the-week team meetings which he holds following Friday afternoon practice sessions are noted for his use of parables, history, and literature in the pep talks he gives to his players and assistants.

Mr. President, although this will mark the final active coaching year for Coach Shug Jordan, he has left an indelible mark for good on Auburn University, on Alabama, and on all Americans who have been touched by his long career. While he may retire from the field of coaching, knowing him as I do I say without hesitation that he will not be inactive in service to God and to his fellow man. Since we know that Coach Jordan will never really fully retire, what would be wrong with the title head football coach emeritus for him?

Now I extend for myself and Mr. Allen our sincerest best wishes to Coach and Mrs. Jordan and the hope that in the years to come they will be able to do many of the things that they have not had time to do. We wish for them many busy and fruitful years of retirement.

Mr. President, the Tuesday, April 8, 1975, edition of the Montgomery Advertiser announced Coach Jordan's retirement in a front page story entitled "Fabled Shug to Retire as Auburn Coach." Because of his widespread reputation, I feel that this story will receive the interest and attention of men and women, old and young, throughout the country, and I ask unanimous consent that the article be printed in the RECORD.

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

[From the Montgomery Advertiser, Apr. 8, 1975]

FABLED SHUG TO RETIRE AS AUBURN COACH

(By Ron Barefield)

Auburn head football coach Ralph "Shug" Jordan resigned his position effective at the end of the 1975 football season and offensive coordinator Doug Barfield was named to replace him at a meeting of the Auburn Board of Trustees in Montgomery Monday.

* * * * *

Jordan is the only active coach who was around when the SEC was formed in 1933 and is also the only active coach in the nation with a stadium named after him.

The Selma native just finished his 24th season on the Plains with a 172–77–5 record and his War Eagles have made post-season bowls the last eight years in a row.

Following the 1972 season when what was predicted as a weak Auburn team in pre-season polls finished with a 10–1 mark and a 24–3 victory over Colorado in the Gator Bowl, Jordan was named SEC Coach of the Year, District Coach of the Year and was runnerup as NCAA national Coach of the Year. In the summer of 1973 Jordan served as head coach of the East in the College Coaches All-America game at Lubbock, Tex.

Jordan was an assistant at Auburn when the SEC originated. He went into the military and returned for a short stint as Auburn's assistant coach before moving to the Miami Seahawks for half a season. The next four and a half years was spent as an aide at Georgia.

He returned to his alma mater in 1951 and began building Auburn into a national power.

His first team broke even, but two years later the Tigers finished 7–2–1 and earned a Gator Bowl berth. He has produced 13 bowl teams.

Jordan's 13 consecutive seasons as a winner against one of the nation's ruggedest schedules has propelled him into the No. 4 slot in all-time victories among college coaches. He ranks fourth in the nation in winning percentage among active coaches with 20 or more years.

Along the way the 65-year-old Jordan has produced a national and SEC championship team in 1957, a year the Tigers were on NCAA probation.

He has been named national Coach of the Year by the Washington Touchdown Club, selected Coach of the Year in the SEC four times, and inducted into the Alabama Sports Hall of Fame as a charter member. He is also a member of the Alabama Academy of Honor.

Jordan was the first SEC coach to win 100 games at his alma mater, and in the past 24 years, Jordan's tenure at Auburn, Ole Miss is the only SEC team to manage more victories than Auburn.

Jordan was a three-sports star at Auburn from 1929 to 1932. In fact, he was Auburn's most outstanding athlete his senior year in a vote by lettermen.

He graduated from Auburn in 1932 and was an assistant coach on the Plains for 12 years before his Army duty during World War II when he served overseas three years in the Corps of Engineers. He came back to Auburn in 1945, and then went with Jack Meagher to the Miami Seahawks.

At mid-season he joined the Georgia staff where he worked under Wally Butts from 1946 through the 1950 campaign. He was named Auburn's head coach the following winter.

Jordan was born in Selma on Sept. 25, 1910. He is married to the former Evelyn Walker of Columbia, S.C., and they have two daughters and a son—Susan, Darby and Ralph, Jr.

Barfield served as offensive coordinator last season. For the two previous years, he was the head freshman coach.

A 1957 graduate of Southern Mississippi, Barfield was highly praised for Auburn's outstanding offensive showing in the Gator Bowl versus Texas.

The personable Barfield lettered 11 times in three sports at Grove Hill High School in Clarke County. He was a three-year letterman at Southern Mississippi where as a quarterback he captained the 1956 team. Barfield also earned three letters in baseball.

His first coaching job was as an assistant at Grove Hill for one year. He served as a head coach at the high school level for eight years. In two years of service with the U.S. Army, Barfield was a coach and athletic director.

In 1967, he was appointed an assistant at his alma mater before working one year at Clemson in 1971. Barfield was appointed to the Auburn staff on June 15, 1972.

He is married to the former Betty Plummer of Grove Hill and they have a son, Gary, and a daughter, Kathy.

SUMMARY OF THE TAX REDUCTION ACT

Mr. BEALL. Mr. President, because of the interest in the provisions of the recently passed Tax Reduction Act, I ask unanimous consent that a summary of the act, as prepared by the Department of the Treasury, be printed in the RECORD.

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

SUMMARY OF FACTS ON TAX CUT BILL

1. REBATE OF 1974 TAXES

Rebate generally equals 10% of 1974 tax liability.

Minimum rebate equals lesser of actual tax liability or $100.

Maximum rebate equals $200, phased down to $100 between AGI $20,000 and $30,000.

For married persons filing separately, $50 minimum, $100 maximum and phase down between $10,000 and $15,000.

Rebates disregarded for purposes of other benefit programs.

Cost: $8.1 billion.

2. STANDARD DEDUCTION CHANGES

Minimum standard deduction (low income allowance) increased from $1,300 per return ($650 for married persons filing separately) to $1,900 for a joint return or surviving spouse, $1,600 for single persons, and $950 for married persons filing separately).

Maximum standard deduction increased from 15% of AGI (with a maximum of $2,000, or $1,000 for a married person filing separately) to 16% of AGI (with a maximum of $2,600 for a joint return or surviving spouse, $2,300 for a single person, and $1,300 for married persons filing separately.

Effective for one year (generally 1975 calendar year).

Cost: $2.5 billion.

3. PERSONAL EXEMPTION TAX CREDIT

New $30 per exemption tax credit (except blind and aged exemptions) in addition to present law personal exemptions.

Effective for one year (generally 1975 calendar year).

Cost: $5.3 billion.

4. EARNED INCOME CREDIT

Refundable credit equal to 10% of earned income of an eligible individual with maximum of $400.

To be eligible, must maintain a household within the United States that includes a dependent child.

Maximum credit phased down to zero between AGI $4,000 and AGI $8,000.

Under AFDC provisions, the earned income credit is taken into account in determining AFDC eligibility.

Effective for one year (generally 1975 calendar year).

Cost: $1.5 billion.

5. CHILD CARE DEDUCTION

Increases the income level at which the phase out of the maximum allowable deduction ($4,800) begins. The old phase out began at $18,000, phasing down to zero at $27,600. The new phase out begins at $35,000, phasing down to zero at $44,600—permanent change.

Cost: $0.1 billion annually.

6. SALE OF PRINCIPAL RESIDENCE

Increases from 12 to 18 months the period during which the seller of an old principal residence must purchase a new principal residence, if he wishes to apply section 1034 to avoid recognition of gain. When construction of the new principal residence is begun by the taxpayer himself, the period is increased from 18 to 24 months.

Permanent change.

Cost: Nominal.

7. HOUSE PURCHASE CREDIT

New tax credit for purchases of a principal residence equal to 5% of the taxpayer's tax basis, with maximum credit of $2,000. A taxpayer's tax basis in a new principal residence may be less than cost if, for example, he sold an old principal residence, avoided recognition of gain through the application of section 1034, and was required to reduce his basis in the new principal residence by the amount of gain not recognized.

Applies only to purchases of new houses (including mobile homes and residential units in condominiums or cooperative housing projects). That is, the taxpayer must be the first occupant.

Applies only to new houses, etc., the construction of which was commenced prior to March 26, 1975.

Purchaser must attach to his tax return a certification by the seller that the purchase price is the lowest price at which the residence was ever offered for sale. If the certification is false, the purchase may recover, in a civil action, three times the difference between the purchase price and the lowest offered price (plus a reasonable attorney's fee) and the seller may be prosecuted.

Effective for acquisitions after March 12, 1975, and before January 1, 1977, but applies to 1976 acquisitions only if constructed by the taxpayer or acquired by the taxpayer under a binding contract entered into before January 1, 1976.

Cost: $0.6 billion.

8. WITHHOLDING

New withholding tables reflecting standard deduction changes, personal exemption tax credit, and earned income credit to take effect May 1, 1975. IRS advises that employers may be unable to meet that deadline even if new tables made available by IRS in record time.

9. INVESTMENT CREDIT

Two year increase in investment credit from 7% (4% in the case of public utilities) to 10%. Upon lapse of the temporary increase, public utilities would again be eligible for a 4% credit only.

Additional 1% credit (for total 11% credit) during the two year temporary period for corporate taxpayers only and on condition that stock of the taxpayer (or a parent corporation) having a value equal to the tax savings generated by the additional 1% credit is transferred to an employee stock ownership plan (ESOP). No deduction is allowed to the employer for the transferred stock, and the employees are not taxed until they receive distributions from the plan. The plan may be a qualified or a nonqualified plan.

For public utilities, increase in the portion of tax liability that may be offset by the investment credit from 50% to: 100% in 1975 and 1976, 90% in 1977, 80% in 1978, 70% in 1979, 60% in 1980, and back to 50% in subsequent years.

Increase from $25,000 to $100,000 in amount of used property that may qualify for investment credit.

Provision for credit to be allowed as progress payments are made, a permanent change.

Cost: $3.3 billion.

10. CORPORATE TAX RATE CHANGES

Surtax exemption (which determines amount taxable at rates below 48%) increased from $25,000 to $50,000 of taxable income.

Rate on first $25,000 of taxable income reduced from 22% to 20% (second $25,000 of taxable income will be taxable at 22% rate, balance of income at 48% rate).

Effective for taxable years ending in 1975.

Cost: $1.5 billion.

11. ACCUMULATED EARNINGS TAX

Minimum accumulated earnings tax credit increased from $100,000 to $150,000.

Permanent change.

Cost: Nominal.

12. WORK INCENTIVE (WIN) PROGRAM TAX CREDIT

Win credit of 20% of wages paid to a new employee during first 12 months of employment extended to employment of welfare recipients if employment lasts at least one month. Under present law, the new employee must be a participant in the WIN program administered by the Departments of Labor and Health, Education and Welfare and must be employed for at least 24 months.

As under present law, the new employee may not displace another employee.

Unlike present law, the expanded credit would apply to nonbusiness employees (e.g., domestics), but the maximum credit with respect to each such nonbusiness employee would be $200.

Employment of migrant workers not covered.

Effective with respect to wages paid to employees hired after the date of enactment for services rendered between the date of enactment and July 1, 1976.

Cost: Nominal.

13. CERTAIN PENSION PLAN CONTRIBUTIONS

For H.R. 10 plans, advanced by one year (to 1976 contributions for 1975 plan years) a provision permitting cash basis taxpayers to treat contributions made before April 15 as having been made in the preceding year.

14. UNEMPLOYMENT COMPENSATION

Extends the maximum period of benefits from 52 to 65 weeks, for weeks of unemployment ending before July 1, 1975.

Cost: $0.2 billion.

15. PAYMENT TO SOCIAL SECURITY RECIPIENTS

Provides $50 payment to each individual who for the month of March, 1975, was entitled (without regard to section 202(j)(1) and 223(b) of title II of the Social Security Act and without the application of section 5(a)(ii) of the Railroad Retirement Act of 1974)) to (1) a monthly insurance benefit under title II of the Social Security Act, (2) a monthly annuity or pension payment under one of the Railroad Retirement Acts, or (3) a benefit under SSI.

Payments to be made no later than August 31, 1975.

Any individual entitled to only one such payment.

Only United States residents are eligible.

Payments to be disregarded for purposes of other programs.

Cost: $1.7 billion.

Note respecting permanence of changes

As noted above, virtually all of the tax changes and increased benefits are drafted as temporary changes and benefits effective for only one year or at most two years. The only permanent changes are: (1) the provision for the investment credit to be allowed on progress payments, (2) the raising of the phase-out level for the child care expense deduction, (3) the expansion of the tax-free rollover period for sales of a principal residence, and (4) the increase in the accumulated earnings tax credit.

16. LIMITATION ON PERCENTAGE DEPLETION

Eliminated immediately for majors.

Exception: 22% retained for all producers for regulated natural gas and natural gas sold under fixed contract.

Royalty interest owners and independents (producers with no retail outlets who refine less than 50,000 bbl/day) have small production exemption.

Small production exemption: 22% remains for 2,000 bbl/day and phases down 200 bbl/day each year for 5 years, then holds at 1,000 while rate phases down: 20% for 1981, 18% for 1982, 16% for 1983, so that for 1984 and thereafter the exemption is 1,000 bbl/day at 15% (applies alternatively at taxpayer's election to natural gas on 6,000 cu. ft.: 1 bbl. equivalence).

For secondary and tertiary production at the rate under the small production exemption stays at 22% until 1984 when it drops to 15%.

Except for *new* fields acquired in section 351 transfer or transfer at death, small production exemption applies to production from *new* fields only if discovered by taxpayer.

Aggregation rules prevent multiple exemptions for related entities. Family members treated as one taxpayer.

Depletion allowance under small production exemption limited to 65% of taxpayer's taxable income (computed without regard to any depletion on small production amount, capital loss or NOL carrybacks).

Increased revenue: $1.6 billion.

17. FOREIGN OIL-RELATED INCOME

New limitation on foreign tax credits of oil companies to 110% of the U.S. rate in 1975 (52.8% of income); 105% of the U.S. rate in 1976 (50.4% of U.S. income) and 50% of U.S. income in 1977.

Carryforwards from years prior to 1974 will be computed as though the foregoing rules were in effect during those years.

Excess credit resulting from the application of these rules can only be used to shelter other oil-related income, including income from shipping, refining, marketing, interest, and dividends.

Requires for taxable years beginning after 1975, the use of the overall limitation in the computation of the foreign tax credits of oil companies.

New recapture rule for losses incurred in oil operations; foreign oil income earned after December 31, 1975, will be treated as U.S. source income to the extent of any oil-related losses sustained after that date.

Bars use of tax credits with respect to the purchase of oil where the taxpayer does not have an economic interest in such oil and where such oil is not purchased and sold at its fair market value. This provision is effective for years after December 31, 1974.

28. DEFERRAL—CHANGES IN SUBPART F

Terminates the minimum distributions exception to subpart F (Section 963).

Terminates the exception to subpart F which allows deferral where tax haven income is reinvested in a less developed country corporation.

Revises the present rule permitting deferral of tax on foreign tax haven income where less than 30% of such income is tax haven income to terminate such deferral where the tax haven income exceeds 10% of income.

Terminates the exception to subpart F for shipping income except where such income is reinvested in shipping operations.

Allows deferral of income on sales by a foreign sales corporation of agricultural products which are not grown in commercially marketable quantities in the U.S.

All of the foregoing changes are effective in taxable years beginning after December 31, 1975.

19. DISC

Terminates DISC deferral privileges for sales of energy resources such as coal, oil and uranium.

Effective for sales made after March 18, 1975.

20. OIL RIGS—INVESTMENT TAX CREDIT

Disallows investment tax credit for oil rigs used in international or territorial waters outside the northern portion of the western hemisphere effective for investments after March 18, 1975, unless made pursuant to contracts binding on April 1, 1974.

Additional revenues: (Sections 17, 18, 19 and 20 combined): $0.1 billion first year, $0.6 billion in following years.

COMPARISON OF THE EFFECTS ON FISCAL YEAR RECEIPTS OF THE PRESIDENT'S STIMULUS PACKAGE, THE HOUSE BILL, THE SENATE BILL, AND THE CONFERENCE BILL

[In billions of dollars]

	Fiscal year—	
	1975	1976
President's stimulus program [1]	−7.3	−9.0
House bill	−10.0	−7.3
Senate Finance Committee bill [2]	−13.0	−16.5
Conference bill [3]	−10.7	−10.5

[1] Adjusted from original estimate for different timing on the 1st rebate payment.
[2] Excludes $3,400,000,000 of payments to social security benefits and $200,000,000 of unemployment payments.
[3] Excludes $1,700,000,000 of payments to social security benefits and $200,000,000 of unemployment payments.

Source: Office of the Secretary of the Treasury, Office of Tax Analysis.

COMPARISON OF HOUSE, SENATE AND CONFERENCE BILLS

[In billions of dollars]

Tax reductions	House	Senate	Conference
I. Individuals:			
Refund of 1974 liability	8.1	9.7	8.1
Standard deduction increase	5.2		2.5
Credit		6.3	5.3
Tax rate reductions		2.3	
Earned income credit	2.9	1.5	1.5
House purchase credit		1.1	.6
Child care		1.7	.1
Home insulation		.7	
Total individuals	16.2	23.3	18.1
Business:			
Investment tax credit	2.4	4.3	3.3
Corporate surtax exemptions	1.2	1.2	1.2
Tax rate reduction		.7	.3
Loss carryback, carry forward		.5	
Repeal truck excise taxes		.7	
Total business	3.6	7.4	4.8
II. Increased expenditures:			
$100 payment to certain program beneficiaries		3.4	1.7
Emergency unemployment benefits		.2	.2
Total increased expenditures		3.6	1.9
III. Tax increases:			
Depletion	(2.2)	(1.7)	(1.6)
Foreign oil taxation		(1.5)	(.1)
Deferral of foreign income		(.5)	
Total tax increases	(2.2)	(3.7)	(1.7)
Total net revenue loss	17.6	30.6	23.1

Office of the Secretary of the Treasury, Office of Tax Analysis, Mar. 29, 1975.

CONSUMER SAFETY

Mr. MOSS. Mr. President, on March 7, I introduced, by request, amendments to the Consumer Product Safety Act which were proposed by the Consumer Product Safety Commission. Those amendments are contained in S. 1000. Since the date of introduction, the Commission has submitted comments in support of its proposals.

The Senate Commerce Committee will be holding 1 day of hearings on S. 1000 within the next 2 weeks. In order to facilitate public discussion and comment on the provisions of S. 1000, I ask unanimous consent that the Commission's comments on S. 1000 be printed in the RECORD.

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

CONSUMER PRODUCT SAFETY COMMISSION IMPROVEMENTS ACT OF 1975 (S. 1000; H.R. 5361)

Section 1 provides that the Act may be cited as the "Consumer Product Safety Commission Improvements Act of 1975."

AUTHORIZATION OF APPROPRIATIONS

Section 2 amends Section 32(a) of the Consumer Product Safety Act (CPSA) to authorize appropriations for fiscal years 1976, 1977, 1978 and the interim period between fiscal years 1976 and 1977. Specifically, the Commission is requesting an authorization of $51,000,000 for fiscal year 1976 and such sums as may be necessary for fiscal years 1977, 1978, and the transition period during 1976. In its enacting legislation, the Commission received authorizations of $55,000,000 for FY 1973; $59,000,000 for FY 1974; and $64,000,000 for FY 1975. The Commission received an appropriation of some $37,000,000 for FY 1975. It should be noted that Senators Magnuson and Moss have introduced a bill (S. 644) containing provisions which would authorize $55,000,000 for FY 1976 and $60,000,000 for FY 1977. The Commission in its comments on this bill indicated its agreement with these authorization amounts.

The section also includes specific language authorizing the expenditure of monies for various purposes consistent with the Commission's activities in carrying out its mandate. These include the authority to lease automobiles, to obtain expert and consultant services, to rent space in the District of Columbia and elsewhere, to make advance payments to offerors developing consumer safety standards, to incur official reception and representation expenses, to obtain the services of expert witnesses, to incur expenses for conducting safety education seminars, and to incur expenses for enforcement purposes. The section also provides for the authorization of such additional or supplemental amounts as may be necessary to meet increased salary, pay, retirement, or other employee benefits as may be authorized by law, to meet other nondiscretionary cost increases, and to provide for the funding of programs or activities which are imposed on the Commission subsequent to the date of the Act. The Commission's enacting legislation does not include such specific language.

LIMITATIONS ON JURISDICTION

Section 3 would resolve certain jurisdictional questions. Subsections (a) and (d) would specifically eliminate pesticides from the Commission's jurisdiction under the Poison Prevention Packaging Act of 1970 (PPPA). Enactment of the Federal Environmental Pesticide Control Act of 1972 (P.L. 92-516), in effect, obstructs subsequently enacted Commission authority to enforce any special packaging standards for pesticides under the Poison Prevention Packaging Act, but does not affect the Commission's authority to promulgate such standards. The Environmental Protection Agency's authority under P.L. 92-516 enables that agency to adequately promulgate and enforce pesticide-related packaging standards for the purpose of child protection. Subsection (b) contains a technical amendment reflecting provisions of P.L. 92-516.

Section 3(c) would resolve the existing controversy over jurisdictional questions involving firearms, ammunition, and cigarettes. Specific exclusion of those products from the Commission's jurisdiction under the Federal Hazardous Substances Act (FHSA) would be consistent with their exclusion from authority under the CPSA. Provision is made, however, for retaining jurisdiction over fireworks devices under the FHSA.

The Commission does not wish either to abdicate or usurp jurisdiction contrary to the intent of the Congress. In denying the petition of the Committee for Hand Gun Control, Inc. for a ban on hand gun bullets, the Commission determined hand-gun bullets fall within the literal meaning of the definition of a hazardous substance under the FHSA, and, as such, all FHSA regulatory remedies are available to the Commission. Based upon a careful review of the provisions of the Federal Hazardous Substances Act and its legislative history, the Commission cannot find any indication that Congress intended to confer upon the Commission the authority to ban handgun bullets as requested by and for the reasons cited by the petitioner. However, the legislative history does not clearly demonstrate that no authority over ammunition was intended. Therefore, the Commission is left with the broad words of an omnibus type safety act to determine its jurisdiction. The practical effect of the requested ban on hand-gun bullets, if successful, would be a virtual ban on hand-guns. There is clearly no authority under any act which the Commission administers to regulate hand-guns.

The necessary internal procedures and court actions involving the regulation of ammunition and cigarettes are a tremendous drain on the limited resources of the Commission. In view of this, the far reaching impact of these issues, and the controversy with regard to the intent of the Congress, the Consumer Product Safety Commission is attempting through this provision of its amendments to seek the guidance of the Congress.

BUDGET AND EMPLOYEE PROVISIONS

Section 4(a) amends section 4(f) of the CPSA to add a provision to require Commission approval of budget requests or estimates submitted to OMB and the Congress. At the present time, the Chairman, as Chief Executive Officer, has exclusive authority in the preparation and submission of the Commission's budget, subject only to the general policies of the Commission. Since the budget is the principal instrument through which the Commission's policies are implemented, the other Commissioners feel this authority should be shared with them in order to provide safeguards ensuring that the Commission retains full control over policy and the direction of its regulatory functions. It should be noted that other regulatory commissions, such as the ICC, FTC, FPC, and SEC, contain similar provisions regarding the role of Commissioners in the budget process.

Section 4(b)(i) amends section 4(g) of the CPSA to substitute the term "regular" for the term "full-time" to conform the term

to the language of other conflict of interest statutes that distinguished regular employees from "special Government employees" (as defined in 18 U.S.C. 202.). The term "regular" is a term readily defined in personnel manuals and can be interpreted without difficulty, while "full-time" is not commonly used and, thus, is without sufficient historical interpretation.

Sections 4(b)(2), 4(b)(3), 4(b)(4), 4(b)(5), and 4(b)(7) amend Section 4(g) of the CPSA to add paragraphs enabling the Chairman, subject to the approval of the Commission, to establish non-career executive assignment positions pursuant to criteria which is consistent with the role of an independent regulatory commission; to fill non-career executive assignment positions; and to abolish an established non-career executive position. In addition, this section provides that the appointment, employment, or promotion of any individual by the Commission shall not, except for the purpose of evaluating professional qualifications by the Civil Service Commission, be subject to the review of any other officer or agency of the Government.

The basic purpose of these sections is to resolve the issue of political clearance of non-career executive appointments in the agency, while retaining a commitment to the career civil service system.

The Commission's experience, up to this point, prompts this request that the Congress once again consider the matter so that the CPSC may more clearly understand the desire of the Congress. During the Commission's two years of operation, the position of its non-career employee appointments has yet to resolve itself. The CPSC is unable to receive Civil Service Commission approval of these non-career appointments until such time as it seeks and receives the approval of the Administration for proposed appointees. The Commissioners continue to believe that it is inappropriate for this independent regulatory Commission to submit its policy making level employees to poltical considerations. At the same time, the Commissioners feel that the implementation of Commission policy implicit in these positions and the necessity that the individuals be solely accountable to the Commissioners would make it inappropriate that they all be designated as career positions. They would like to urge the Congress again to assist in resolving this important problem. The section would remove these key positions from political consideration and leave to the discretion of the Commission, bipartisan by law, the final choice of individuals for these positions once the Civil Service Commission has approved their professional qualifications. It is, therefore, the Commissioners hope that the Congress will create a special category for those who serve in sensitive positions within regulatory agencies.

Section 4(b)(6) and 4(c) gives the Chairman, subject to the approval of the Commission the authority to establish and fill up to twenty-five positions in GS-16, 17, and 18 for the purposes of carrying out the responsibilities of the Commission. When the CPSA was enacted this authority was not included in the legislation, and consequently, the Commission has been forced to draw from the general pool available to all established agencies. The Commission feels that the lack of positions specifically available to it as a new agency hampers its ability initially to organize itself internally. It should be noted that this proposed amendment is not an uncommon authority and that the Commission is requesting authorization of these positions to be utilized only as the Commission finds them necessary in its development.

INFORMATION DISCLOSURE

Section 5 would specifically authorize the Commission to disclose information concerning substantial product hazard proceedings under Section 15 of the Consumer Product Safety Act, without regard to certain restrictions contained in section 6(b) of the CPSA. These restrictions require that prior to dissemination of information obtained under the CPSA, the Commission must allow any directly affected manufacturer or private labeler thirty days to submit comments with regard to such information. The Commission could allow the manufacturer or private labeler a shorter period of time for comment if the Commissioners find that the public health and safety so require. Section 6(b)(2) of the CPSA exempts from the 30 day notice requirement information about a consumer product which is the subject of an imminent hazard action under Section 12 of the CPSA, or information "in the course of or concerning any administrative or judicial proceeding under this Act."

In order to avoid the time and expense of a formal adjudicative hearing, it is common practice for the government and the party concerned to negotiate a binding agreement that settles the matter. This agreement is referred to as a "consent agreement." Under the Commission's openness policy, negotiations leading to consent agreements are open to the public and listings of notifications under Section 15 are open to the public. Confidential data and trade secret material, however, are not available to the public.

The Commission currently interprets Section 6(b) of the CPSA to allow the Commission to have these meetings and listings open to the public because the Commission is merely making available information supplied by the manufacturer, distributor, or retailer himself, and the manufacturer, distributor or retailer is present at any meetings regarding the possible hazard and need for a consent agreement. The Commission is seeking clarification of Section 6(b) to specifically state that such meetings and disclosure of information need not be preceded by an additional opportunity for comment by the manufacturer or private labeler. There is already specific exception to this 30 day notice for actions filed under Section 12, Section 19 violations, and court and administrative proceedings, but none for informal proceedings leading to a settlement instead of court or administrative proceedings.

STANDARDS DEVELOPMENT

Section 6 would provide the Commission more flexibility in determining realistic standard development period. Subsections (a) and (c) would allow the development period for a consumer product safety standard to be 150 days after the date of acceptance of an offer to develop such standard. At present, the 150-day period begins with the publication in the Federal Register of an invitation for offerors to develop a standard. The notice and selection process can consume a considerable portion of the 150 days, taking valuable time away from that actually allocated to development of a standard.

While the Commission recognized the necessity of proceeding with standard development without undue delay, it is felt that this amendment would provide a more realistic time frame and not present such a delay.

Subsection (b) would specifically authorize the Commission to develop or contract for the development of a standard in cases where a proposed standard submitted by an offeror is, in whole or in part, unacceptable. This amendment is of a clarifying nature. Presently, it is unclear whether, after the standard has been submitted, the Commission may find it unacceptable—either wholly or partially—and then proceed to develop the standard itself. We would like this clarified so that the Commission would be able to adjust, or re-write, a submitted standard until the Commission finds it acceptable.

PROHIBITED ACTS AND ENFORCEMENT

Section 7 would amend the CPSA to expand the Commission's enforcement authority. This section amends Sections 19 and 20 of the CPSA to correct an oversight in providing sanctions for several of the prohibited acts under our enacting legislation. At the present time, we have no means of enforcement for those who fail to meet the requirements of the law with regards to record keeping (Section 16(b)), regulation of new consumer products (Section 13), manufacture and sale of items determined to present a substantial product hazard (Section 15), and the requirement to provide performance and technical data (Section 27(e)). These amendments are necessary to provide the Commission with a means of ensuring that these provisions of the Act are readily enforceable.

Although we could cover some of these points by individual court litigation or issuance of a general order or individual subpoenas under our authority under Section 27(b), this is a time-consuming and awkward process.

Subsection (a) would amend the "Prohibited Acts" section of the CPSA to include: violation of Commission recordkeeping regulations (Section 16(b)); manufacture or marketing of products which have been determined to present substantial product hazards under Section 15; violation of any Commission rules relating to prior notice and description of new consumer products (Section 13); and, failure to comply with any Commission rule relating to provision of performance and technical data (Section 27(e)).

Subsection (b) would provide civil penalties for violations of the proposed additions to the "Prohibited Acts" section.

Subsection (c)(1) and (2) would authorize the Commission to seek appropriate injunctive enforcement in cases involving violations or anticipated violations of the amended "Prohibited Acts" section or of any rules or regulations issued under the CPSA.

Subsection (c)(3) would authorize seizure proceedings against products distributed in commerce which have been determined to present a substantial product hazard under section 15 of the CPSA or which violate any rule or regulation issued under the CPSA. (The amendment contained in section 7(c)(2) is further explained in the summary of section 8 (litigation).

LITIGATION

Section 8 of the proposed bill would amend the CPSA to give the Commission flexibility in its litigation activities. The proposed amendments would not, however, preclude cooperation between the Commission and the Attorney General.

Subsection (a) would provide that copies of petitions for judicial review of consumer product safety rules would not have to be transmitted to the Attorney General and that the Commission, rather than the Attorney General, would be required to file in the court the record of the proceedings on which such rule was based.

Subsection (b) provides that persons seeking enforcement of consumer product safety rules or orders under section 15 of the CPSA would not be required to give notice to the Attorney General.

Subsection (c) would authorize the Commission to proceed, without the concurrence of the Attorney General, in initiating, prosecuting, defending, or appealing any court action in the name of the Commission for the purpose of enforcing the laws subject to its jurisdiction.

Subsection (d) would authorize the Commission to bring court actions, without the concurrence of the Attorney General, to restrain violations of the CPSA's "Prohibited Acts" section.

Subsection (e) would allow the Commission to seek representation by the Solicitor

General in any proceeding before the Supreme Court.

(The amendment contained in section 7(c)(2) would authorize the Commission to seek injunctive enforcement without the concurrence of the Attorney General.)

It has become apparent to the Commission that the requirement to work through the Attorney General can be a cumbersome process which, in some situations, hampers the proper enforcement of the laws administered by the Commission. For example, the rapid response required in matters such as temporary restraining orders is severely hampered when a significant amount of time is needed to brief the Assistant U.S. Attorneys who have not been involved with Commission matters previously or, more specifically, with the matter at hand. Further, the Commission believes that it is inconsistent to charge an independent regulatory agency with enforcement of specific laws and then remove the final decision from that agency as to which cases are tried and upon what grounds to base the case strategy. Other agencies, such as the National Labor Relations Board, have functioned efficiently through their own attorneys without adversely affecting overall Federal litigation activities.

GENERAL RULEMAKING AUTHORITY

Section 9 would grant the Commission general rulemaking authority for the effective administration and enforcement of the CPSA. It is desirable to have general rulemaking authority to supplement the express authority contained in the CPSA for issuing rules and regulations (e.g., 13(a), 14(c), 17(g), 26(c), and 27(e)). General rulemaking authority would give the Commission the flexibility to use its discretion to issue rules it believes are necessary to carry out the purposes of the CPSA in areas where Congress has not expressly provided for rulemaking. Further, the authority would obviate the need to seek individual amendments to the CPSA to authorize particular rulemaking. (Section 7 of these Amendments would provide injunctive authority against violation of such rules and regulations, by amending section 22(a) of the Act.)

It should be noted that other acts administered by the Commission contain general rulemaking authority (e.g., section 5(c) of the Flammable Fabrics Act (FEA) and section 10(a) of the FHSA) and the Commission believes its omission in the CPSA to have been an oversight.

INFORMATION DISCLOSURE TO OTHER GOVERNMENT BODIES

Section 10 would permit the Commission to disclose accident or investigation reports to other federal agencies and state and local bodies engaged in activities relating to health, safety, or consumer protection. Any subsequent disclosure to the public by such agency or body would be conditional on the consent requirements contained in section 25(c) of the CPSA. The Commission believes this revision would clarify whether accident reports may be disclosed to state and local governments, and to other federal agencies without the consent of the injured party or treating physician. Our interpretation of Section 29(e) is that states are subject to the consent restriction. However, this is a hindrance to state cooperation.

Section 29 of the CPSA directs the Commission to cooperate with states and authorizes the Commission to accept, among other things, injury data from the states. Quite often a state or local government will advise our area office of an accident, giving the name of the individual. Our staff will then proceed to do an investigative report on the accident to determine if it is a product-related injury falling within the jurisdiction of this Agency. When the state or local government comes back to the Commission for a copy of the report we must advise them that under Section 25(c) of the Act we cannot give it to them since it contains the name of the injured person.

We do not believe that Congress meant to preclude this cooperation. However, the literal wording of the CPSA would lead to that result, and a resultant reluctance on the part of State and local jurisdiction to cooperate with Commission activities.

JURISDICTION UNDER CONSUMER PRODUCT SAFETY ACT

Section 11 would authorize the Commission to proceed under the broader and more viable provisions of the CPSA, when necessary and in the public interest, in dealing with product hazards that are or would be subject to regulation under the acts transferred under section 30 of the CPSA. Section 30(d) of the CPSA currently requires that a risk of injury which is associated with a product and which could be eliminated or reduced to a sufficient extent by action taken under the Federal Hazardous Substances Act, the Poison Prevention Packaging Act, or the Flammable Fabrics Act may be regulated by the Commission only in accordance with the provisions of those acts.

Initially Congress considered repealing the other safety Acts which were eventually transferred to the Commission under Section 30 of the CPSA. Instead of taking action to repeal the Acts, Congress provided in Section 30(d) that the Commission would use the transferred Acts so long as the risk of injury associated with a consumer product could be eliminated or reduced to a sufficient extent by action taken under those Acts. If the Commission, after consideration of all aspects of a risk together with the remedial powers available to it under both the transferred Act and the CPSA, decided that the CPSA was better, then it could proceed to regulate the consumer product under the CPSA.

The express language of Section 30(d) addresses whether the risk could be eliminated or reduced to a sufficient extent. The legislative history keys this consideration to looking at the remedial powers available. Thus, the Commission cannot decide to proceed under the CPSA unless the risk involved either could not be regulated at all under a transferred Act or could not be reduced or eliminated with the remedies available. This does not permit the Commission to consider factors such as the time involved in obtaining a regulation, the cost of the regulation to consumers and industry involved and other factors which affect the public interest.

For example, in regulating bicycles one of the major problems presented by the industry involved is the lack of a federal preemption provision in the Federal Hazardous Substances Act which would prohibit conflicting state or local regulations. Without such a clause, the industry could be faced with producing many types of bicycles at an increased cost to consumers. However, a preemption clause is not something which prohibits regulation by the federal government. It only prevents conflict by states. A preemption clause is not remedial. Therefore, the Commission may not consider the preemption provisions of the CPSA in determining under which Act an item should be regulated.

Accordingly, the Commission is seeking to expand the bases under which it could use the CPSA in place of one of the transferred Acts. This expansion would base a shift from a transferred Act on a consideration of all factors which affect the public interest, rather than just remedial provisions of the laws involved.

TITLE 18 PROTECTION

Section 12 would provide penalties for any person who assaults, intimidates, or kills a Commission employee assigned to perform investigative inspection, of law enforcement functions while engaged in the performance of his official duties. This is a standard provision considered to have been unintentionally omitted in the enacting legislation.

PROTECTING THE NATION'S ISLANDS

Mr. KENNEDY. Mr. President, on March 17, 1975, the New York Times carried a brief but significant editorial on the Nantucket Sound Islands trust bill, S. 67, which Senator BROOKE and I have introduced with the co-sponsorship of Senator SCHWEIKER. The bill, now pending in the Senate Subcommittee on Parks and Recreation, has been the subject of subcommittee field hearings on the islands themselves, as well as a hearing here in the Senate.

The Times states that policies for the protection of the Nation's islands, such as those policies embodied in the trust bill, are "desperately necessary." Mr. President, that note of urgency could well be understood, for if we do not act this session to save the Nantucket Sound Islands from the pressures of suburbanized tract development, we may have lost the opportunity to act effectively at all.

I ask unanimous consent that the editorial be printed in the RECORD.

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

NANTUCKET SOUND

Rich in history and in physical beauty, Martha's Vineyard and Nantucket are two of America's best-loved islands. Situated in Nantucket Sound within easy traveling distance of densely-populated New York and southern New England, these still-pastoral islands afford a test of the nation's capacity to reconcile intensive use and open space.

After numerous public meetings with interested residents, Massachusetts Senators Kennedy and Brooke, and the islands' representative, Gerry Studds, have reached consensus on a bill that would prevent further reckless exploitation of these islands. The bill would establish a commission, half of whose members would be popularly elected, which would share planning and control with the Secretary of the Interior. On Martha's Vineyard, where the more serious potential problems exist, the island would be zoned into three categories of land, from the most fragile to the most developed.

The detailed arrangements worked out for Nantucket Sound are unique because these islands have their own history and pattern of development. But as with the existing Cape Code National Seashore, this bill if it becomes law would be a major step toward a comprehensive national policy to protect all islands, first put forward some five years ago but still not adopted. It is growing late. With population steadily mounting and developmental pressures intensifying at an even faster rate, the enactment of such a policy becomes increasingly urgent with every day—and desperately necessary for the islands of Nantucket Sound.

PRESERVING THE PRINTED WORD—FUNDS TO CARRY OUT S. 411

Mr. GOLDWATER. Mr. President, I am delighted that hearings are now being held by the House Subcommittee on Treasury, Postal Service, and General Government Appropriations, chaired by the Honorable TOM STEED of Oklahoma, relative to funds requested by the U.S. Postal Service to implement S. 411—Public Law 93-328.

As a coauthor of this law, I am very much interested in seeing that the Government lives up to its responsibility for appropriating the full amounts required to carry out its purposes, and I presented a written statement to the House committee today urging that this be done.

In brief, S. 411 provides that excessive increases in the postage rates of newspapers, magazines, books, and circulars from charitable groups shall be spread over an extended period of years in order to enable these mail users to adjust to the higher costs.

Mr. President, I resent and strongly challenge any connotation that this law is "class legislation." It is not. It benefits the entire American reading public—anyone with an interest in the printed word.

In truth, what is at stake in this appropriation is the opportunity for the American reading public to enjoy the widest possible circulation of news, information, and opinions in the mails, a privilege which has been a part of the fundamental heritage of all citizens since the founding of the Nation.

Mr. President, I would remind my colleagues that the total circulation of newspapers and magazines in the mails is almost 9 billion issues a year. Moreover, half the books purchased by American libraries are being delivered by mail—on top of which many libraries operate a book-by-mail program for their patrons.

If these funds are not appropriated, many veterans, church, farm, and other publications—which are faced with increases in postal rates up to 1,000 percent—will fold.

We must recall that the widespread availability of printed news, ideas, and knowledge has contributed to the success of our self-government since the founding of our Nation.

For example, the printed word, carried by the post, helped to unify the patriots during the American Revolution and to obtain approval of the Constitution later. It has since helped to serve as a guardian of our liberties. Thus, the funds I am requesting will help to preserve the historic role of the public mails as contributing to public enlightenment and to the security of a free Constitution.

Mr. President, I ask unanimous consent that my statement today to the House Subcommittee on Posal Service Appropriations be printed in the RECORD.

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

STATEMENT BY SENATOR BARRY GOLDWATER

PRESERVING THE PRINTED WORD

Mr. Chairman, as one of the authors of S. 411, enacted into law as P.L. 93-328, to phase-in large postal rate increases on mailers of publications and thereby to help preserve a wide choice of educational, informational and literary matter for the public, I strongly urge your favorable consideration of the full appropriations needed to implement this law.

Anyone who is interested in the printed word has a direct interest in the funding request presented to you by the Postal Service for carrying out the phasing provisions of S. 411. In short, what the law does, is to provide for an extension of the number of years during which very high increases in postal rates will take effect in the case of printed publications delivered in the mails.

These publications include both non-profit and profit materials. They include small circulation magazines as well as mass circulation journals.

They include in-county and weekly newspapers as well as metropolitan dailies. They also cover books purchased by small town libraries and classroom publications acquired for use in schools or in religious instruction classes.

What this appropriations request means to the American reading public is the opportunity to enjoy the widest possible circulation of news, information, and opinions in the mails, a privilege which has been a part of the fundamental heritage of all citizens since the founding of the nation.

Mr. Chairman, I would ask you to consider the fact that there are about 10,000 profit and non-profit magazines being published in the United States. In addition, there are nearly 1,800 daily newspapers and more than 7,600 weekly newspapers being printed.

The total circulation of these newspapers and magazines in the mails is almost *nine billion* issues a year! Moreover, I would note that half the books purchased by American libraries are being delivered by mail—on top of which many libraries operate a book-by-mail program for their patrons.

Mr. Chairman, this widespread availability of printed news, ideas and knowledge is a hallmark of America. It has contributed to the success of our self-government throughout our history.

For example, the 40 or so newspapers of the American Revolution were an effective force working towards the unification of the people by awakening a consciousness of common purpose among the separate colonies and a determination to see the war through to its successful conclusion.

By the time of the country-wide debate preceding the adoption of the Constitution, about 100 weekly newspapers were being published in the United States. Nine out of ten supported ratification.

The early magazines of America also helped to build a receptive public audience for the Constitution. These magazines devoted hundreds of pages to current events designed to convince readers of the advantages of a strong federal Constitution.

The printed word, carried by post-riders, deserves much of the credit for the remarkable fact that eleven states approved the Constitution within ten months after the Constitutional Convention had closed. And if the printed word helped to unify the patriots and obtain approval of the Constitution, it has since helped to serve as a guardian of our liberties.

In order to assure our citizens the continued benefits of this system, it is necessary that we reaffirm the national interest in facilitating the circulation of knowledge in the mails by helping printed publications to survive the extraordinary increases in postal rates with which they are faced. The average increase of regular second class postal rates is over 200% since 1971 and will likely exceed 300% by 1977. Some non-profit publications are confronted with increases of almost 1000%.

These costs are so huge, and they would consume such a large share of the revenue dollar, that many publications simply cannot afford them.

There is a very real danger that many magazines and newspapers will be forced to go out of business because of postage rate increases. Those which survive may be drastically changed in format or frequency of publication, to the public disadvantage.

Mr. Chairman, the funds needed to carry out S. 411 will preserve the historic role of the public mails as contributing to public enlightenment and to the security of a free Constitution. I ask that you act favorably on this request.

MARCH UNEMPLOYMENT STATISTICS

Mr. WILLIAMS. Mr. President, with the release of the Department of Labor's latest unemployment figures, our country settles yet deeper into the current severe recession. These figures reflect the cold statistical picture of employment in the United States during the month of March: 500,000 more Americans joined the ranks of the unemployed to bring the total unemployment figure to 8.7 percent. These statistics, while grim enough in themselves, are nevertheless misleading and do not fully reflect what they represent in human terms.

It is now confirmed that there was little comfort to be gained from February's unemployment statistics, which showed no increase in the unemployment rate over the previous month. It is clear that the constancy of those figures, contrary to indicating a leveling off of the economic downturn, was in reality a portent of a grim fact with which we must come to grips—the number of citizens who become discouraged and drop out of the job market entirely is steadily increasing. In my home State of New Jersey, the unemployment figure for March is at 10.9 percent, but the areas and industries which are hardest hit know that it is much, much higher for them.

It has only been since 1967 that the Bureau of Labor Statistics has compiled data on discouraged workers and their impact on the total employment picture. Discouraged workers are those who, even in the best of times, face hurdle after hurdle in their quest for a decent, livable wage. In this category are blacks and other minority groups, inner-city poor, teenagers, and women. When a recession hits, they invariably are the first victims who fall by the wayside and are often forgotten.

These people represent a sizable sector of the Nation's population, and though their employment situation is by far the bleakest of all, it is not even reflected in unemployment statistics. Persons not actively seeking work are not included in unemployment figures, but rather are classified as being outside the labor force. If persons who fall within this category were to be counted as unemployed, the real unemployment rate would be approximately 10 percent.

The statistics released by the Department of Labor last week also graphically illustrate the extent to which certain segments of the population must bear a disproportionate share of the country's economic woes. While blacks accounted for about 30 percent of the total discouraged workers in the first quarter of 1974, they represented only 11 percent of the labor force. On the other hand, males between the ages of 25 to 59 make up 42 percent of the total workforce, yet represent only 10 percent of the discouraged workers.

We have the means by which we can help the hardcore unemployed as well as the thousands of other workers who have lost their jobs because of the current economic difficulties. The Comprehensive Employment and Training Act of 1973

was not enacted in response to a slumping economy, but now that we are ensconced in a recession, it can be the tool by which we pull ourselves out of the slump and regain economic stability. CETA can provide immediate and effective assistance to low-income, underemployed, and laid off employees who otherwise have little hope of becoming productive members of society.

The Congress has already amended and expanded CETA's range and ability to deal realistically with today's problems. But it still falls short of meeting the requirements of a society beset by problems of unemployment, recession and inflation. We need more programs to help the unemployed and severly disadvantaged to find work and restore their personal dignity and rightful place in society.

The administration must come to terms with the realities of our present complex problems. I cannot share President Ford's optimism, even though it is a guarded optimism, that America's economy is "starting to show tentative signs that the worst may be behind us." If indeed such signs are visible, they are indications that the measures which Congress has taken in recent months are beginning to pay off. So far, the only industry which has been showing any signs of growth at all has been State and local government, and even this growth is currently attributable to the injection of public service jobs into the government system.

When the economy began heading toward a serious recession last summer, it was obvious to me and many of my colleagues in the Senate that no progress would be made in reversing the disastrous slump until the Federal Government stepped in with innovative and expansive programs which could stimulate a sluggish economy while maintaining a realistic balance between real wages and price increases.

I am convinced that a part of our current dilemma came about as a direct result of executive foot-dragging in the release of Federal funds impounded by the administration. Once released, those funds could have been put to immediate use creating the kinds of jobs which subsequently became the most scarce—particularly in the construction industry.

The American people are becoming increasingly despondent and discouraged about their Government's ability to cope with an economy which has not been in such critical shape since the beginning of World War II. I recently reviewed a sampling of my mail received during a 1-week period and discovered that nearly 75 percent of it dealt in some way with the state of the economy and the job market. And, as I am sure each of my colleagues can likewise attest, there has been a tremendous increase in the volume of mail received. More and more of our citizens feel compelled to vent their anger and frustration by writing to their elected representatives in Washington to find out what is being done to improve the country's plight.

This influx of mail from our concerned citizens played no small role in influencing recent decisions, such as the reduction of the oil depletion allowance, which had come under increasing fire in recent years. But it was only in the current Congress that decisive steps were taken to cut back drastically on these allowances, thereby creating new sources of Federal revenue.

And the collective voices of our outraged citizens were heard when the administration asked for yet more money to pour into a war which our people do not support—a war which is being lost on the battlefields. America has always been one of the most humanitarian nations in the world, and it is a distinction for which we can all feel justly proud. But if we over-extended ourselves in the past with our commitments, there is certainly no logic in compounding an already tragic situation by prolonging it.

We are approaching another long, hot summer, and if jobs are not provided for the Nation's youth, there is a grave possibility that our major cities will once again erupt in violence. Senator JAVITS and I have asked the Senate Appropriations Committee for $680 million for a summer jobs program for youth. It is imperative that we begin planning now for the weeks and months ahead and not wait for a situation to develop that is beyond all control.

The time for direct action is upon us; we do not want to pay the price of procrastination in wages of civil disruption and violence.

As always, Mr. President, the news release by the Bureau of Labor Statistics is highly instructive. So that my colleagues and all those who utilize the CONGRESSIONAL RECORD may have the benefit of the BLS report, I ask unanimous consent that the news release be printed in the RECORD.

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

THE EMPLOYMENT SITUATION: MARCH 1975

Unemployment increased further and employment continued to decline in March, it was reported today by the Bureau of Labor Statistics of the U. S. Department of Labor. At 8.7 percent, the Nation's unemployment rate was up 0.5 percentage point from January and February and 4.1 percentage points from the October 1973 low. This was the highest rate since 1941.

Total employment (as measured by the monthly survey of households) declined by nearly 200,000 in March to 83.8 million. Though not as large as in earlier months, this marked the sixth consecutive month of employment reductions, which have totaled 2.6 million since last September. With the unemployment increase of 500,000 exceeding the employment decrease, the labor force rose by over 300,000; this increase partially erased the large labor force drop in February.

Total nonagricultural payroll employment (as measured by the monthly survey of establishments) also continued to decrease in March, but the 325,000 drop—to 76.4 million—was not as sharp as in previous months. Since last October, nonagricultural payroll jobs have receded by 2.5 million, with the manufacturing and construction industries bearing the brunt of the cutbacks. Because there was also a further constriction in the workweek, total man-hours, the most comprehensive measure of labor activity, continued its descent.

UNEMPLOYMENT

Unemployment resumed its steep upward trend in March, after leveling off temporarily between January and February, largely because of withdrawals from the labor force. At 8.0 million, the number of unemployed persons in March was 500,000 above the previous month and 3.1 million above the August 1974 level, when joblessness began its rapid climb. More than two-thirds of the increased unemployment in March can be traced to job loss, as the number of persons who lost their last job rose to 4.4 million. Since last August, the number of job losers has increased by 2.3 million, about 700,000 women and 1.6 million men. This rise accounted for over three-fourths of the overall increase in unemployment.

TABLE A.—HIGHLIGHTS OF THE EMPLOYMENT SITUATION (SEASONALLY ADJUSTED DATA)

Selected categories	Quarterly averages 1974 I	II	III	IV	1975, I	Monthly data January 1975	February 1975	March 1975
Millions of persons:								
Civilian labor force	90.5	90.6	91.4	91.8	91.8	92.1	91.5	91.8
Total employment	85.8	86.0	86.4	85.7	84.1	84.6	84.0	83.8
Adult men	48.5	48.5	48.5	48.3	47.3	47.5	47.3	47.0
Adult women	29.8	30.1	30.5	30.1	29.8	29.9	29.7	29.9
Teenagers	7.5	7.4	7.4	7.4	7.0	7.1	7.0	7.0
Unemployment	4.7	4.7	5.0	6.1	7.7	7.5	7.5	8.0
Percent of labor force:								
Unemployment rates:								
All workers	5.1	5.1	5.5	6.6	8.3	8.2	8.2	8.7
Adult men	3.4	3.5	3.7	4.8	6.3	6.0	6.2	6.8
Adult women	5.1	5.1	5.4	6.5	8.2	8.1	8.1	8.5
Teenagers	15.2	15.1	16.1	17.5	20.5	20.8	19.9	20.6
White	4.6	4.6	5.0	5.9	7.6	7.5	7.4	8.0
Negro and other races	9.2	9.1	9.6	11.7	13.7	13.4	13.5	14.2
Household heads	2.9	3.0	3.2	4.1	5.5	5.2	5.4	5.8
Married men	2.4	2.4	2.7	3.3	4.8	4.5	4.7	5.2
Full-time workers	4.6	4.6	5.0	6.2	7.9	7.7	17.8	8.3
State insured	3.2	3.3	3.4	4.3	6.0	5.5	5.9	6.5

TABLE A.—HIGHLIGHTS OF THE EMPLOYMENT SITUATION (SEASONALLY ADJUSTED DATA)

Selected categories	Quarterly averages 1974 I	II	III	IV	1975, I	Monthly data January 1975	February 1975	March 1975
Weeks: Average duration of unemployment	9.5	9.7	9.9	9.9	11.3	10.7	11.7	11.4
Millions of persons:								
Nonfarm payroll employment	78.0	78.3	78.7	78.3	[2] 76.8	77.2	[2] 76.7	[2] 76.4
Goods-producing industries	24.9	24.9	24.8	24.1	[2] 22.7	23.2	[2] 22.6	[2] 22.3
Service-producing industries	53.1	53.5	53.9	54.2	[2] 54.0	54.0	[2] 54.1	[2] 54.0
Hours of work:								
Average weekly:								
Total private nonfarm	36.7	36.7	36.7	36.4	[2] 36.1	36.2	[2] 36.1	[2] 35.9
Manufacturing	40.4	39.9	40.1	39.7	[2] 38.9	39.2	[2] 38.8	[2] 38.7
Manufacturing overtime	3.5	3.2	3.4	2.9	[2] 2.2	2.3	[2] 2.2	[2] 2.2
1967 equals 100:								
Hourly Earnings Index, private nonfarm:								
In current dollars	152.7	156.2	160.3	[3] 164.0	[2] 167.2	166.0	[2] 166.9	[2] 168.7
In constant dollars	107.8	107.5	107.1	[3] 106.3	(4)	106.1	[2] 106.1	(4)

[1] Corrected.
[2] Preliminary.
[3] Revised.
[4] Not available.

The March increase in joblessness was shared by virtually all worker groups. Rates were near or above alltime highs for adult women (8.5 percent), teenagers (20.6 percent), whites (8.0 percent), blacks (14.2 percent), household heads (5.8 percent), and full-time workers (8.3 percent). Rates for adult men and married men, at 6.8 and 5.2 percent respectively, were up significantly from the previous month but were still below post-World War II highs.

With the exception of white-collar workers, there were widespread increases in the unemployment rates among the major occupational groups. Blue-collar workers were particularly hard hit, as their jobless rate moved from 10.9 percent in February to a record 12.5 percent in March, double their year-earlier rate. Similarly, all major industries showed increases. The unemployment rate for construction workers was up sharply, to 18.7 percent, and the rate for manufacturing workers rose for the tenth consecutive month to 11.4 percent—like the blue-collar rate, more than double a year ago.

The unemployment rate of workers covered by State unemployment insurance programs, at 6.5 percent in March, was up from 5.9 percent in February and 5.5 percent in January. However, it remained well below postwar record levels. The number of workers claiming State unemployment insurance benefits, 4.3 million, represented 53 percent of the jobless total this March compared with 45 percent a year earlier.

The unemployment rate for Vietnam-era veterans aged 20–34 was essentially unchanged from February and January at a level—9.0 percent—that was below the rate for nonveterans, which rose to 10.5 percent. The rate for the youngest veterans (20–24 years old) was also about the same as in February, at 17.5 percent, but continued to be higher than their nonveteran counterparts (14.7 percent).

The average (mean) duration of unemployment held relatively steady in March at 11.4 weeks, after rising sharply in January and February. However, long-term unemployment—persons unemployed 15 weeks or more—increased 170,000 from the February level to 2.0 million. This increase followed jumps totaling 700,000 in the previous 3 months.

In addition to the increase in joblessness, the number of persons working part time but wanting full-time jobs, at 3.9 million, was up 170,000 in March, after showing little change in February. When combined with unemployment on a man-hours basis, the resulting measure—labor force time lost—reached 9.6 percent in March, up from 8.9 percent in February and 5.6 percent in March 1974.

TOTAL EMPLOYMENT AND CIVILIAN LABOR FORCE

Total employment edged downward in March to 83.8 million (seasonally adjusted), with adult men accounting for all of the decline. Since last September's peak, adult men have comprised two-thirds of the 2.6 million drop in employment.

On an occupational basis, an employment gain for white-collar workers in March was more than offset by declines among craft and kindred workers and operatives in the blue-collar occupations, both of whom have been hard hit by the slump in economic activity. Employment in these two groups has declined by 900,000 and 1.7 million, respectively, from their peaks of last summer.

The civilian labor force rose by 320,000 in March to 91.8 million, seasonally adjusted, after posting a 580,000 decline in February. The March increases occurred entirely among adult women as the adult male and teenage labor force levels were unchanged over the month. The overall labor force was no larger in March than last October despite an increase of 1.1 million in the working-age population.

Participation in the labor force, at 61.0 percent of the civilian noninstitutional population, was essentially unchanged from February but well below the levels prevailing over the October-January period. During recessionary periods, some workers leave the labor force because of discouragement over job prospects. This has happened in the present downturn.

DISCOURAGED WORKERS

During periods of economic distress, some workers become discouraged with job prospects and give up the search for work. Persons who are not actively seeking work are not counted as "unemployed" but are classified as not in the labor force. Data have been collected on the number of persons not looking for jobs because they believe they could not find work—"discouraged workers"—since 1967. Up to this year, the number of discouraged workers has fluctuated cyclically within a range of 550,000 to 850,000. (See table B.) In the first quarter of this year, however, the discouraged count soared to 1.1 million, the highest level since the initiation of the series. As might be expected, the incidence of discouragement lags market conditions, following about one quarter after the unemployment rate during the period these data have been available. Thus, while the recent increases of unemployment began in the third quarter of 1974, the number of discouraged workers did not rise until the fourth quarter. Since the third quarter, the number of discouraged has increased by nearly half a million (73 percent).

A large proportion of the discouraged are younger or older workers, women, and blacks—groups who experience the greatest difficulty in finding jobs. For example, blacks accounted for about 30 percent of the discouraged total in the first quarter, a much larger ratio than their proportion of the labor force (11 percent). By contrast, only a small proportion of the discouraged are males aged 25 to 59. In 1974, this group represented 42 percent of the labor force but less than 10 percent of the discouraged worker total.

This special section has been added to this release to add perspective on recent labor force developments. More detailed data on discouraged workers appear regularly in the quarterly press release, Labor Force Developments. The release covering data for the first quarter of 1975 will be issued on April 14.

TABLE B.—DISCOURAGED WORKERS, 1967–75

[In thousands]

Year	Seasonally adjusted quarterly averages I	II	III	IV	Annual averages
1967	766	674	755	732	728
1968	701	700	652	611	667
1969	609	574	540	580	574
1970	574	618	683	685	638
1971	768	726	823	774	774
1972	803	793	747	719	766
1973	615	775	664	671	679
1974	662	652	626	812	686
1975	1,084				

INDUSTRY PAYROLL EMPLOYMENT

Total nonagricultural payroll employment was 76.4 million (seasonally adjusted) in March, down 325,000 from February and 2.5 million from last October's peak level. Although the March decline was not as sharp as those of intervening months since October, the overall 5-month drop was the largest since the postwar readjustment period in 1945. Cutbacks in employment occurred in about 72 percent of all industries from February to March, compared with a proportion of 85 percent, as revised, from January to February.

In manufacturing, employment decreased by 160,000 in March, following declines ranging from 350,000 to 500,000 in each of the previous 4 months. March reductions were most pronounced in the primary metal, machinery, and electrical equipment industries within the durable goods sector and apparel in nondurable goods. Partially countering these declines was a 50,000 job gain in the transportation equipment industry, as a number of auto workers were recalled from layoff; however, the industry's job total was still 215,000 short of its July 1974 level.

Employment in contract construction dropped 110,000 in March to 3.5 million, following a decline of 190,000 in the previous month. Construction jobs have fallen 640,000 from the alltime high reached in February 1974.

In the service-producing industries, the number of payroll jobs fell slightly, as an increase in State and local government was outweighed by declines elsewhere in the sec-

tor. Employment in the services sector has declined by 260,000 since last October. Compared with March 1974, however, employment in these industries has grown by 865,000, in marked contrast to a job decline totaling 2.5 million in the goods-producing industries. The only industry exhibiting strong growth in recent months has been State and local government, with Federally-financed public service jobs making a major contribution.

HOURS OF WORK

The average workweek for all production or nonsupervisory workers on nonfarm payrolls continued to decline in March, dropping 0.2 hour to 35.9 hours, seasonally adjusted. The average workweek has fallen 0.8 hour since last September and 1.3 hours from the April 1973 high.

In most of the manufacturing industries, average hours edged down, resulting in an overall drop of a tenth of an hour to 38.7 hours. This followed a drop of 0.4 hour in February. Since March a year ago, the average manufacturing workweek has been reduced 1.6 hours. Factory overtime was unchanged over the month at 2.2 hours but was 1.3 hours less than a year ago. Both the factory workweek and overtime hours in March were at their lowest levels since the 1960–61 recession.

The aggregate man-hours of private nonfarm production or nonsupervisory workers dropped 1.2 percent in March, the sixth consecutive monthly decline. Since September 1974, the index of total man-hours has fallen 7.0 percent to 105.5 (1967=100). The index of worker hours in manufacturing also declined by 1.2 percent, much less than rate of decrease in the previous 3 months; at 85.9 (1967=100) the index was 15.9 percent lower than March a year ago and 17.9 percent below the alltime high reached in November 1973.

HOURLY AND WEEKLY EARNINGS

Average hourly earnings of production or nonsupervisory workers on nonfarm payrolls increased 0.5 percent in March and 8.0 percent from a year ago (seasonally adjusted). Average weekly earnings, however, edged down 0.1 percent over the month, owing to the decline in the workweek, but were up 5.7 percent from March 1974.

Before seasonal adjustment, hourly earnings rose 2 cents in February to $4.42. Earnings have increased 33 cents from a year ago. Average weekly earnings were up 27 cents from February and $8.50 from March 1974.

THE HOURLY EARNINGS INDEX

The Hourly Earnings Index—earnings adjusted for overtime in manufacturing, seasonality, and the effects of changes in the proportion of workers in high-wage and low-wage industries—was 168.7 (1967=100) in March, 1.0 percent higher than in February. The index was 9.8 percent above March a year ago. During the 12-month period ending in February, the Hourly Earnings Index in dollars of constant purchasing power declined 1.6 percent.

REFUGEE CRISIS IN VIETNAM

Mr. KENNEDY. Mr. President, yesterday the Subcommittee on Refugees, which I serve as chairman, held a hearing to review the refugee crisis and humanitarian problems in South Vietnam and Cambodia.

It was 10 years ago when the subcommittee held its first hearing into the humanitarian problems being created by the second Indochina war. 1965 marked the first major crisis of people. In that year, escalating battle in South Vietnam produced over 1,000,000 refugees, tens of thousands of civilian casualties, and uncounted orphans and war victims of all kinds. But today—after a decade of spreading war and unspeakable human suffering throughout the area—the people of South Vietnam, and Cambodia are taking the most ferocious beating of the conflict.

Tragedy is piled on tragedy. More families are torn apart. More innocent children become orphans. More thousands of frightened and hungry people become refugees—and thousands more are injured or maimed or killed.

Millions of people in South Vietnam and Cambodia are crying out for peace and relief. We share in their crisis. And how we help to resolve it will not only influence the fate of these war victims, but our country's future relations with all the people of Indochina.

The hundreds of calls and letters I've received—from Boston to Saigon—reflect a deep and despairing sense of helplessness among the American people over the human tragedy in South Vietnam and Cambodia. The appeals of our citizens reveal a profound sense of commitment and urgency to help—a commitment and urgency which has yet to find expression in the policy and actions of our national leadership. And so today, the American people want to know—as this subcommittee wants to know—what our Government is doing to meet the growing crisis of people in Indochina.

For too many weeks our Government has stood paralyzed, as events rapidly overtook whatever small decisions our Government was making to assist the millions of orphans and refugees and war victims in South Vietnam and Cambodia.

But this is not a time for paralysis in our Government.

This is a time for bold actions by the President. It is a time for new initiatives to fully meet our obligations to the people of Indochina. It is a time to admit our past mistakes and misplaced priorities—and a time to finally use the immense resources of our country to help bring peace and relief to the people of Indochina.

I call upon the President, as I did in a letter to him on March 21, for urgent action in several areas of concern to the American people.

First, there is still time for the President to dispatch a special envoy to pursue immediate diplomatic initiatives for humanitarian purposes in South Vietnam and Cambodia. The special envoy should also pursue efforts to help end the violence and return to the political goals of the 1973 Paris agreements. If we can send our generals to Saigon for assessing the military situation, the least we can do—and must do—is send a man of peace and human concern, who truly reflects the feelings of all Americans.

Second, I urge the President to finally lend our country's full support to the humanitarian initiatives of the United Nations, and Secretary General Kurt Waldheim's international appeal for relief assistance to war victims in Indochina. Without delay, the President should authorize a contribution, from immediately available funds, to the United Nations High Commissioner for Refugees and UNICEF, whose representatives are present in the field.

Third, I hope the administration will work with the Congress to enact emergency legislation to provide additional funds to support these international relief efforts. A bill I introduced on March 26 (S. 1350) which is cosponsored by several Senators, will help accomplish this end.

Fourth, I urge the President, through his special envoy and other means, to communicate with all parties concerned, and to seek the good offices of the United Nations, to facilitate the reunion of families, the care and protection of orphans and other dependent persons, and the orderly movement of threatened populations in all areas of South Vietnam and Cambodia. Instead of wringing our hands over this issue, we must immediately pursue those diplomatic agreements and understandings that will help secure the free movement and protection of the civilian population. Such agreements and understandings followed the first Indochina war, and similar wars in recent years.

Fifth, I urge the President to take needed administrative steps, under existing authorities in the immigration law, to facilitate the movement of Vietnamese nationals to join their families and friends in the United States.

And, sixth, I urge the President to give full support to the relief efforts of the private voluntary agencies, and to take steps to facilitate their movement under international auspices into all areas of need in South Vietnam and Cambodia.

Mr. President, we have no moral commitment to any army in Indochina. We have no moral commitment to this or that government—to this or that official or political faction. Our only true remaining moral obligations are with the people—to the millions of people in Indochina who cry for help.

I believe the American people are prepared to accept these obligations. And the purpose of today's hearing is to explore the best ways to go about this national effort.

It is still not too late to redeem the hope of the Paris Agreements—and to move, as Secretary Kissinger stated just 2 years ago, "from hostility to normalization to conciliation and cooperation."

Mr. President, I ask unanimous consent that the text of my letter to President Ford be printed in the RECORD, as well as the prepared testimony of Daniel Parker, Administrator of the Agency for International Development, describing the preliminary steps taken by our Government to meet the refugee crisis.

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

MARCH 21, 1975.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: I am writing to express my deep concern over the growing human tragedy in Cambodia and Vietnam, and to urge your personal consideration of

new initiatives for the better protection and care of refugees and war victims in all areas of both countries.

Since the earliest stages of the Indochina war, the humanitarian problems of refugees, orphans, civilian casualties, and other war victims have been of special concern to me personally, as well as to the Subcommittee on Refugees which I serve as Chairman. Over the years, we have worked closely with officials in the Executive Branch in a diligent manner to bring stronger humanitarian priorities in our national policy in Indochina, and to help find reasonable and humane solutions to the undeniably tragic problems which war has brought to the people of the entire area.

In this connection, and especially since the 1973 Agreement on Ending the War and Restoring the Peace in Vietnam, I have strongly advocated greater initiative by our government to internationalize needed humanitarian efforts and programs throughout Indochina, and introduced and supported legislation to accomplish this end.

In light of the clear Congressional mandate in this important area of public policy, and given the spreading human tragedy in Cambodia and Vietnam, I share the view of many Americans that the time is past due for the humanitarian intervention of the international community.

I am extremely hopeful, therefore, that you will favorably consider an urgent appeal for United Nations Secretary General Kurt Waldheim to exercise his good offices for humanitarian purposes in all sectors of Cambodia and Vietnam. This could be done, perhaps, through the United Nations High Commissioner for Refugees or the director of UNICEF, whose offices are actively present in all parts of Indochina.

I strongly feel that, in cooperation with the International Red Cross and the private voluntary agencies, the good offices and more active presence of the United Nations in Indochina will help to save lives, protect the movement of refugees, facilitate the free movement of relief personnel and supplies to areas of need on all sides, and hopefully encourage and strengthen needed efforts for peace.

I appreciate your consideration, Mr. President, and pledge my full support of meaningful efforts to help bring peace and relief to the people of Indochina.

Best Wishes.

Sincerely,

EDWARD M. KENNEDY.

STATEMENT OF DANIEL PARKER

It is a privilege, as well as a responsibility, to be here. You have asked me to testify on the refugee situation in South Vietnam. It is serious.

In a country where there were already many people who had suffered from the war, recent military developments have left hundreds of thousands, perhaps millions, in need of food, shelter and medical care.

Before I address the situation further, I would like to pay tribute to the size and quality of the response that the people of this country—the United States of America—have made and are making to this tragedy.

It is a moving experience, at A.I.D.'s operations room in the State Department, to watch the hundreds of calls come in—asking how they can help, is there an orphan they can adopt, what can they do? One feels that the acrimony that did exist in this country with respect to United States policy in Vietnam has been overcome by compassion.

The real burdens are being borne by the people of the Republic of South Vietnam, in terms of the suffering that the recent attacks have inflicted. The enormous burdens borne by the people of South Vietnam are being shared or lightened, to the extent possible, by the generosity of a great many people; by the voluntary agencies who have done, and are doing so much to help; by the international relief organizations; by the people of my agency and numerous other parts of the government; and by many, many others.

Let me summarize for you briefly what has happened and what has been and is being done. When the North Vietnamese offensive began, less than three weeks ago, South Vietnam already carried with it the difficult burden of feeding and caring for more than 265,000 refugees and war victims at an annual cost of millions. Many, fleeing southward, were located in refugee camps scattered throughout the country; others had been or were being relocated in resettlement sites where it was hoped they could become self-sufficient; yet others were receiving temporary assistance in other forms.

As the North Vietnamese columns moved southward from the northern provinces of I Corps, and South Vietnamese resistance unexpectedly and rapidly collapsed, refugees numbering in the hundred thousands, if not millions, fled to the coastal regions and those other areas still controlled by the Government of South Vietnam.

The difficult burden of caring for the old victims of the Vietnamese conflict was made more enormous and yet more complicated by this new influx of desperate, homeless human beings.

As of April 7, new refugees registered with the GVN Ministry of Social Welfare were 310,000. An additional 93,000 have been lifted by U.S. ships to date. An estimated total of 40,000 have been lifted on foreign flag vessels.

An estimated 750,000 refugees are not within these figures. Many are still moving in coastal and river craft, private vehicles and on foot, into and within areas controlled by the Republic of Vietnam, or have settled with relatives or friends. In sum, the GVN's refugee burden has been more than doubled and may soon by tripled.

The basic needs of the refugees are man's basic needs everywhere: food, shelter, medical care. Some would add to that listing the factor of hope, but these refugees seem to have carried with them the hope that life would be better under the South Vietnamese Government than under the alternative.

It is our immediate objective to assist with these needs. Our prime and almost total concern, necessarily, is with the physical needs. But with respect to the hope factor, I think it should be said that the support of the United States, for those who have fled in hope as well as those who have fled in fear, is terribly important, and the assistance we are giving and will give, and the manner in which we give it, are critical indicators of that support.

To meet these needs, the first step is to help the refugees get to safety. Our involvement, indeed all efforts, have been mostly by sea. The GVN has committed more than 50 vessels to this task; we have deployed (as of April 7) 7 cargo vessels of the U.S. Military Sealift Command, and 5 U.S. Navy ships, together with 8 tugs which have been operating with multiple barges each.

From other countries, as of April 7, one British frigate was standing by; 4 Republic of China LSTs were participating, and 1 Korean and 1 Philippine LST were evacuating.

Once the refugees leave the ships, or arrive in GVN areas by other means, they are assembled in temporary camps. At this point, they are "registered" on a roll and issued ration cards which permit the family to draw food and other relief supplies. It is usually at this time that the family is assigned temporary shelter and given a medical screening so that any sick members can be referred for medical care.

The refugee situation—in terms of their location—is an extremely fluid one. The GVN's first plan was to provide resettlement areas in three coastal provinces in Regions II and III. When this became impossible, the GVN identified seven resettlement sites in the Delta, but this plan, too, was modified because of the fast-shifting scene. According to latest reports, there are about 60,000 refugees in the vicinity of Ham Tan, 20,000 on Phu Quoc Island, and mounting numbers are being assisted in Bien Hoa Province, in an area originally intended for permanent resettlement but where GVN, with USAID assistance, is now preparing temporary homesites for up to 100,000 refugees.

We have only sketchy information from some of these locations, but are informed that the GVN with our help is making every effort to meet supply needs. For example, the ship VEGA arrived at Phu Quoc Sunday with fish, rice, milk, canned meat, blankets, sleeping mats and other relief items, supplementing initial air shipment of rice, bulgar and other foods, plastic sheeting for shelter, water barrels and cooking utensiles. Thirty-seven GVN personnel were also flown in to serve as registration teams.

Our U.S. Mission has experienced officers in the field in the locations where new refugees are being gathered, including Phu Quoc Island. In addition, once the situation stabilizes, representatives of the voluntary agencies now in Saigon available for reassignment, will be redeployed to assure that the supplies consigned to their agencies reach the people who need them.

There are no voluntary agency personnel as yet in Phu Quoc but some are working in mainland refugee assembly sites. One should also mention that the staff of the Ministry of Social Welfare, both in Saigon and in the provinces is quite capable of meeting refugee relief needs in a reliable and orderly manner. The GVN has demonstrated this capability in the past by assisting in the care of and the return-to-village and resettlement of hundreds of thousands of refugees who were forced to take shelter in refugee camps following the offensive of 1972. We have no indication that their capacity to operate in GVN-controlled areas has been impaired by recent events.

Our efforts to help meet the needs of these refugees use, broadly speaking, two channels. I'll mention first the voluntary agencies, together with the international institutions; second, the existing infrastructure of the Government of South Vietnam. Any relief effort needs clearly to recognize that both channels are necessary.

To illustrate the means by which we make relief supplies available, let me mention two emergency feeding actions we have taken under Title II of the PL 480 program. We recently approved 13,500 tons of blended fortified foods, costing $5.6 million (including freight) for use by voluntary agencies in providing nutritional food supplements for the most severely affected children in the Vietnamese refugee population. The voluntary agencies are very well equipped to do this—or at least, they do it very well, well equipped or not.

Also, late in March, we approved an emergency 100,000 tons of rice for Vietnam, to support refugee and other war victim feeding programs in Vietnam. We estimate that one refugee will require 500 grams of rice per day. Thus, if the refugee population totals one million, the rice that we have provided should prove adequate for a little over six months. In this effort, we rely on the GVN to handle the distribution, as it is the only entity there which commands the necessary logistic and storage assets. U.S. and international relief agencies will also be utilized to the fullest possible extent in the feeding programs.

These emergency Title II programs have supplemented an existing 14,300 tons of blended fortified foods, 10,000 tons of which have already been shipped, for U.S. voluntary agency use in South Vietnam this year.

The private voluntary organizations have extensive programs in Vietnam. Fifteen or-

ganizations have had long-term grant agreements and contracts with A.I.D. to work in child welfare, rehabilitation of refugees and in public health. I would mention, as among only the largest of the voluntary agency relief programs in Vietnam, those of CARE, Catholic Relief Services, Church World Services, the International Rescue Committee and the World Vision Relief Organization. Private contributions to humanitarian assistance in Vietnam are being channeled by the American Council of Voluntary Agencies for Foreign Service, in New York.

I have been deeply impressed with the work of the voluntary agencies. Their people are as dedicated, as effective in their mission, as any I've known. And they carry the torch of American concern that helps intangibly as well as tangibly. I speak not only, when I praise them, of the performance of the individuals, about which I could not say enough. I also speak of the great capacity of the voluntary agencies to be effective as organizations, which I've witnessed countless times, not only as they work with the Agency for International Development, or with a ministry of the Government of South Vietnam, but even more importantly in the capacity these agencies have exhibited for extremely close cooperation amongst themselves.

We also are supporting the international agencies—the U.N. High Commissioner for Refugees, UNICEF and the International Committee for the Red Cross—which are working in Indochina, including South Vietnam. It is not possible precisely to break out the South Vietnam element of our contributions to these programs, as distinct from amounts going to Laos or to Cambodia, but we estimate the South Vietnam element to be close to $5 million so far for this fiscal year.

Where necessary these international organizations are redirecting their programs for longer-term relief efforts to emergency relief for the new refugees.

Let me also mention briefly that other nations are also contributing to the relief effort. The U.K. has announced that they will provide 750,000 pounds sterling for Indochina relief. Australia has contributed $1 million to the U.N. High Commissioner for Refugees, has deployed 7 C–130 planes for relief assistance to Vietnam and is flying Vietnamese orphans in RAAF planes to Australia for adoption. The West German Red Cross sent out a 707 loaded with supplies and a German medical team has also been dispatched for emergency assistance. The Swedish Government has also announced a substantial contribution.

A small but important part of the relief activities, in which the voluntary agencies have played a critical role, has been in connection with orphans. During the recent attacks, children from orphanages in the upper part of South Vietnam were transferred to orphanages in Saigon, making for badly overcrowded conditions. Among the children there were an estimated 2,000 orphans in process for and thus eligible for intercountry adoptions, under the sponsorship of voluntary agencies, for adoption here. As the President's Special Coordinator, I decided that we should accelerate this process, and we started the airlift, by both military and military charter planes. The first step in our flights is Clark Air Force Base, in the Philippines, where the children receive the necessary medical care to prepare them for the long journey to the United States.

Despite the tragedy of April 4, with the crash of the C5A airplane, the airlift is going on as scheduled. The emotional impact of this tragic loss of life has been indeed deep, but this has not deterred us or the voluntary agencies from continuing our efforts.

We attach great importance to the fine medical care which Clark Air Force Base personnel are providing these children in preparation for their long journey to the United States.

I should turn in more detail to A.I.D.'s financial support for refugees and the present availability of funds. As I've said, besides our programs specifically for refugee relief, we have child care, health care, and other elements in our humanitarian assistance which help others in need, many of whom were earlier refugees.

A.I.D. requested $135 million for these programs together; for FY 1975, $90 million was authorized, $55.7 million allocated from the amounts finally appropriated. We have allotted $56.2 million for humanitarian assistance to date.

Specifically for the refugee relief programs, A.I.D. had requested $86.5 million; $70 million was authorized; $41.1 million was allocated from the amounts finally appropriated. Because of the emergency situation created by the offensive, we have allotted $41.6 million for refugee relief to date. The bulk of these allotments have taken place since the start of the offensive.

Commitments have been for initial aircraft/sealift operations and immediate relief requirements identified by the GVN and our Mission—each of which, regrettably, have had some prior experience in the refugee field. Included in these amounts were $2 million which was made available April 2 for child care relief requirements and from which is being funded the airlift costs for the orphans. Also included in this period was an immediate obligation by our Mission of $1.8 million for medical supplies.

As the number of refugees and their situation became clearer—as I say, not all are yet identified—we may be able to make some more funds available, where we believe they will do the most good in the shortest time. We are doing everything possible to reprogram as many funds as we can for use in the refugee evacuation and relief effort. However, it is three-quarters of the way through a tight fiscal year, and our flexibility is limited.

Because of this desperate situation, it is my expectation that the appropriation of more funds will be needed—such as, for instance, the funds authorized but unappropriated under the Foreign Assistance Act—but I do not wish to anticipate the President, who will be speaking on the subject of South Vietnam later this week. The needs are certainly great—and I have been touched by America's response to them. This same feeling is demonstrated in the bill that Senator Kennedy has introduced, S. 1350, to authorize $100 million for humanitarian assistance in South Vietnam and Cambodia. Although I am not in a position at this time to relate this proposal to what the President may later this week propose, I should be happy to provide any further information I have about the refugee situation in South Vietnam.

"INDIANA DISCOVERY," APRIL 12–18

Mr. HARTKE. Mr. President, as the United States moves toward 1976 and its bicentennial celebration, we in Indiana have become increasingly aware of the contributions Hoosiers have made to our American heritage. L. S. Ayers & Co. stands high on the list of those Hoosiers who have made significant contributions to our country.

They are now leading the parade of people honoring our country's birthday by sponsoring "Indiana Discovery," a weeklong program beginning on April 12 and leading to the official opening of the Bicentennial celebration on April 18.

Mr. President, I ask unanimous consent that a description of the events scheduled for that week be printed in the RECORD.

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

L. S. AYRES & CO., INC., "INDIANA DISCOVERY" APRIL 12–18, 1975

L. S. Ayres and Company is saluting our country's 200th Birthday with a premiere celebration. Dedication ceremonies are scheduled for Saturday, April 12, with week-long events leading to the official opening of the nation's Bicentennial Celebration on April 18.

In commemoration of this national observance, Ayres' Downtown Indianapolis store is paying tribute to our heritage with a festival of traditional music, arts and crafts, and historical collections of fashions and furniture.

Opening this initial Bicentennial event on April 12 will be Vincennes, Indiana's George Rogers Clark Volunteers. Along with the Clark Drum Corps, also dressed in colonial costume, they will present colours at Clark's monument on Indianapolis' historical Monument Circle. Indiana's Lt. Governor Robert D. Orr will join Ayres' officials for this ceremony, which will be followed by a parade to the Downtown store to officially open the celebration.

Among the highlights of this historical week are a visit by famed author Jessamyn West, whose newest novel, "Massacre at Fall Creek," details a chapter of our country's Hoosier history; an exhibit of fashions by Norman Norell, a native-born Indiana son who rose to world fame as a couturier; concerts of native Bluegrass and traditional music and song; historic furnishings from the homes of President Benjamin Harrison and General Lew Wallace.

L. S. Ayres and Company joins our nation in this premiere salute to an exciting period in our lives . . . a time to review the past two hundred years and to look ahead and rediscover how wonderful it is to be an American!

THE NEW ENGLAND TOWN MEETING

Mr. MUSKIE. Mr. President, each year at this time one of the Nation's oldest democratic traditions—the New England town meeting—is carried out in the majority of communities in my home State of Maine. As we approach America's 200th birthday, the town meetings still flourish, providing every citizen of voting age an opportunity to participate directly in the affairs of their local government. In many ways, the purpose and goals of this form of government are more relevant to the needs of our society today than they were when first established.

Last Sunday, the Washington Post carried two excellent articles by Mr. Haynes Johnson on the recent town meeting in Nobleboro, Maine. I commend them to my colleagues and ask unanimous consent that they be printed in the RECORD.

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

[From the Washington Post, Apr. 6, 1975]

A LAST STRONGHOLD OF DEMOCRACY

(By Haynes Johnson)

NOBLEBORO, MAINE.—Heading down east from Portland along old Route 1, through Brunswick and Bath, Wiscasset and Waldoboro, past the frozen ponds and shuttered summer cottages, the stores and homes with their "for sale" signs, one maddening rock song kept being repeated over the car radio:

America's calling, Harry Truman.
Harry, you'd know what to do.
The world is turning round,
and losing lots of ground,
Oh, Harry, is there something we can do
to save the land we love?

The headlines in the local papers along the Maine coast reinforce the impression of national gloom:

VOTERS ARE TIRED OF HAVING THINGS CRAMMED DOWN THROAT

STORAGE OF OIL TANKERS OPPOSED IN CASCO BAY

DANGERS LISTED FOR DRILLING ON GEORGES BANK

In Bath, the City Council has been informed by a Boston engineering firm that at least $1.5 million more will be needed to enable a sewage system installed only four years ago to work properly. In Augusta, state mental health and corrections officials are warning that Maine institutions could revert back to a "19th Century level of custodial care" if proposed budget cuts are carried out. And the Central Maine Power Co. is saying the state will need 6 per cent more electrical energy every year in spite of accelerated conservation efforts.

In Nobleboro, they were preparing for their annual town meeting. All of the citizens already had received their annual report from their town officers. The Selectmen, in their current assessment of the town's condition, stated: "Aside from the $7,000 remaining on the school addition . . . and a modest balance on the Ice House lot, the Town of Nobleboro does not owe a cent to anyone. How do your state and federal governments compare with that?"

Nobleboro is not complacent about its situation, however. For days before the town meeting, citizens had been debating an issue that sharply divided the community. It was about their schools. A year ago, in a close vote, Nobleboro joined two other towns, Damariscotta and Newcastle, in forming the Great Salt Bay Community School District.

Within 12 months, petitions were being circulated urging the town to pull out of the consolidation. Emotions ran high. The citizens of Nobleboro, like nearly all of the coastal communities, were angered first by action of their state legislature in Augusta. The legislature enacted a bill providing for all Maine communities to contribute a certain fixed amount to the state to go for education. The state would then distribute the money across the board to towns regardless of their individual wealth or poverty. The idea was to provide equal education facilities for all towns, whatever their local financial situation.

This action went against the grain of the traditionally frugal and independent Maine towns, where the Yankee concept of local control is still deeply embedded. Along the coast, protest meetings were held and groups formed. One, called "Freedom Fighters," was composed of officials opposed to growing state and federal control over small town affairs.

"We want to be good citizens," the chairman of that group told a special legislative meeting in Augusta the other day. "We want to obey the legislature and we want to obey the Constitution. But we do not want any bureaus of the State of Maine putting standards on us."

In Nobleboro the prospect of losing more local control to the state led many residents to question whether they really should involve themselves with the other two nearby towns in a consolidated school district. Nobleboro was in basically good financial situation; its schools were not overcrowded, as they were in Damariscotta and Newcastle; it had always handled its own affairs well enough by itself; it could still go it alone.

Only days before the town meeting a large contingent of Nobleboro citizens gathered to protest the school consolidation. Many wanted to pull out.

"We've always helped ourselves," one citizen remarked. "Why should we help Damariscotta and Newcastle who have let their schools fall apart?"

"I mistrust the state," said another protester.

The issue involved more than state aid or the consolidated school district. It involved local pride and the conflict between outsiders, many of them young, who have moved into Nobleboro in recent years, and the old descendants of the original settlers. In a sense, it was between past and present and over the direction of the future.

"They thought the state was going to build them a million-and-a-half building," said Hudson Vannah, 71, who is the fifth generation of Vannahs to live on the same farmland overlooking Damariscotta Pond from a point of land surrounded by woods. "All going to be done with state money. Well, after all, who's the state? Now they know.

"This school building here, we had the best. The best school facility. We had good lunch facilities there, which some other towns didn't have and they was anxious. We had a superintendent to help those towns at the expense of this town. So that's what happened. Now today I think they're kinds seein' the folly. The people worked hard. We had a civic club in this town. They had beano [it's like bingo, only its different, one resident explained] every week and they equipped this building, and it takes a lot to equip a building the way this one's equipped down to the lunch room. And it didn't cost the taxpayers anything. They kind of thought it would be good to give it away. They were innocent."

Typical of the other side was Judy Griffin, 38, a housewife who moved to Maine nine years ago. She is a college graduate with twin sons, aged 9.

"Emotionally, this is a very strong issue for the people who are aware of what is really important in their children's education," she said. "I think that some people here are very content with what they have and I think that's fine for themselves. But I don't think that all children should be thrust into the category of their little realm of contentment.

"I really feel that a child's education should mostly center around excellent teachers. I think we should pay our teachers more and bring in those with more stimulating minds. I am in favor of trying the consolidation for a few years."

It is said, and the local historians vouch for it, that the first deed in New England was executed not far from Noblesboro in 1625 between an Indian named Samosett and a colonist named John Brown. It is also said, although there is some dispute about this, that the first Englishmen ever to set foot on American soil did so within the confines of Lincoln County, of which Noblesboro is a part. Before that there were Norsemen plying around the jagged coast and deep coves of this part of present-day Maine. So "they say," anyway.

Within this county, stretching from the coastline and back into the hills, lakes and ponds, are still to be found some of the oldest names in the history of New England.

On the small village square of Nobleboro there is a monument to Col. Arthur Noble, who came to America in 1720 and became one of the early heroes of Maine, when Maine still was a part of the Massachusetts Bay Colony. To the west, in the lovely old town of Waldoboro, is another monument that evokes the past. It notes that Waldoboro was settled in 1749 by Germans who "emigrated to this place with the promise and expectation of finding a populous city, instead of which they found nothing but a wilderness. For the first years they suffered to a great extent by Indian wars and starvation. By perseverance and self-denial they succeeded in clearing land and erecting mills. At this time a large proportion of its inhabitants are descendants of the first settlers."

That monument was erected in 1855. Now, 120 years later, many of those same old family names are to be found scattered throughout this formidable and severe countryside. Life was never easy. It is not so today. Maine has known poverty and hardship; it knows them now.

For decades these small towns, villages and cities remained insulated and clinging to their traditions. The cliches about Maine's self-reliance and independence are, like most cliches, essentially true—"with stretchers," as with the seasons—up in the summer, down in the winter. But within the last decade fundamental change has come to Maine, and now to Nobleboro. In the five-year period from 1965 to 1970 some 120,000 permanent residents moved into Maine, bringing with them new ways and new attitudes. They have also come into Nobleboro.

Hudson Vannah, whose first American ancestor came to Waldoboro six generations ago as one of the original German settlers (the name was the spelled "Werner") has seen more changes in Nobleboro in the last 10 years than he experienced in a lifetime here.

"There has been quite an increase in population," he said. "More so in the last five years. I probably wouldn't know 75 per cent of the people who come out for town meetings now, whereas seven, eight years ago when I was chairman, I knew practically everyone in town. Now I don't.

"The influx of these outsiders I would say in this town is predominantly young families, whereas the neighboring town of Damariscotta is more retirement. Today they all start out with new houses and a loan that'll take 'em the rest of their lives to pay off, if they're lucky. If they're real lucky they may not have to pay it off."

But for all the changes, Nobleboro retains a strong sense of place and strong ties of community. It is friendly and open, the kind of place where a stranger is immediately invited to lunch and to dinner; where you can meet old and new all in one day; where you can talk with the Willard Pinkhams and hear about the days of the old country store when butter was 30 cents a pound, eggs a quarter a dozen, and sugar and molasses were dispensed in barrels and hogsheads; where you can sit over coffee with two relatively new residents and get a vivid impression of life in Nobleboro as it is evolving.

"When we moved to Nobleboro in 1965 we were invited to this little communty hall that we have up in North Nobleboro for what they call a 'free supper,'" said Nancy Hartford, whose husband, Leonard, is now Nobleboro's first selectman. "At that time they were giving public suppers every month to raise money for their community associations. We went and we thought nothing more of it. We were made to stand and receive all of these people, probably 50 or 60. At that time an envelope was handed to us. I thought it was a potholder or something, and I went home. It was filled with money. This was their way of welcoming us to the community.

"We were utterly amazed to think that anybody cared enough whether we even moved in. And a year or two later I became ill with a palsy type thing and required hospitalization and complete bed rest for about a month. All our meals were taken care of completely by the people themselves."

Evelyn Cross, who also came here a decade ago and now is the postmaster, had been listening to her friend. She nooded, and said:

"If anybody's in trouble in Nobleboro the community helps. There's somebody on your doorstep if you have a problem. They'll call me and say, 'So-and-so is having a problem; pass the word.'"

Yet there are tensions and hostilities in Nobleboro. As one person said, "We have our own little Peyton Places here. We have social problems and drugs and so forth." Older residents recall the days when no one locked his door here. Now they do. Occasional acts of vandalism are a concern.

But the most difficult problem is more

subtle: how to balance the old and the new and yet retain the sense of community that gave the Nobleboros of New England their special flavor.

"You can rub people the wrong way here without being aware of it," one more recent citizen said. "You have to be very careful and not come on too strong. It can be an emotional problem. I think they have a tendency to ignore you. This may be from jealousy or it may be because they feel threatened or because they just really don't care that much about understanding you. You have to make a tremendous effort to understand them.

"A person living here, after a while you find out you have to be completely resourceful within yourself. You have a tendency in Maine to either like it very much or not at all. I don't think there's any middle ground. I like it very much.

"I've found that the basic structure of the town still remains the same. It's still a very tight-knit group. There are more people coming in but these people are more or less forced to stay on the outer fringes and watch the old-timers keep the local control. Newcomers here are accepted at arm's length. People make an effort to be outwardly friendly but they don't really want them running for the school board or trying to take over any of their businesses. Within another 10 years I think we'll have power in numbers at the polls and it's going to be to our advantage. But until there are more newcomers like ourselves we're going to have to sit tight."

Then this citizen said:

"I feel that we have the last stronghold of democracy right here and it's something that New Englanders should be proud of. By the same token, whether we want to be or not, we're very much a part of a large, complex world around us. I think it's very much important that we try not to become alienated among ourselves, and not to keep control just within a small group.

"I think we're going to have to relate to this outside world if our children are going to compete in it. I think if the children growing up here have any one strike against them it's because they're non-aggressive in attitude. They're very complacent. It's important to expose our children to as many outside influences as possible."

On Saturday, the day of the town meeting, some 300 chairs had been set out in rows in the school basement. There were five candidates for the third selectman's post. That kind of opposition hadn't occurred in years. It bothered some of the older people.

Hudson Vannah, who is also Nobleboro's road commissioner, was sitting in a front row, remembering other times:

"Town meetin's not as good as it used to be for this reason: Today they have a budget or advisory committee and they meet with the selectmen and practically all the appropriations that are required have been talked over and, you might say, accepted. They bring 'em out in the open today, you might say, to be rubberstamped.

"But in the old days, when I started going to town meetin's—as a kid I skipped school to go to town meetin's—it was interesting. There was no seats then, of course. Around the old town house they stood up. And when they come to a question that was pretty close they used to divide the house. The moderator would set up and there and say, 'All those in favor of this article take the north side of the house. All opposed, the south.' They divided the house. And I've seen 'em reach across the aisle and try to pull a guy over.

"It was fun to watch it. And then, of course, perhaps it was a little more interesting, but not as fair, in the days before the secret ballot. I've seen 'em vote twice. I've seen 'em vote three times. We had a fellow that was first selectman here for a number of years. He was a good type, but he had his following! He'd say, 'Boys, it might be close today. Go 'round two or three times.' And he'd have somebody there and when those fellows would be making their second trip he'd have someone talking to the moderator. He'd be looking the other way. And sometimes they'd put in a whole handful. In other years, there'd be more votes cast than there was in the hall. That was interesting.

"It's still interesting. But as I say, it isn't like it used to be because so much of it already has been decided."

He was correct. It had been decided in advance. The selectmen, the town clerk, the leaders of the opposing camps—all had agreed that it would be best to table the vote on whether to pull out of the school district. They would defer action until April 30 to give time for the state legislature to clarify, hopefully, possible changes in the state educational funding act.

At least they thought it was all set.

The townspeople had turned out—men, women, children and babies. Others had to stand in rows against the walls. No apathy here.

A moderator banged his gavel four or five times to call the meeting to order. He had an announcement. Anyone who wanted to speak would have to do so loud and clear. They were without loudspeaker equipment, "which done quit."

It began quietly. On the town method of collecting taxes: no opposition. On fixing the compensation for labor on roads: no opposition. On accepting the scale of compensation for elected municipal officers: no opposition.

Article 7 on the agenda brought the first stirrings of town discontent. It was over appropriating the amount of money necessary for basic town expenses: for police, fire, roads, lighting, the library and the Noble Monument grounds.

One man was disturbed over the state of the road repairs. The condition of Duck Puddle Road was terrible.

"I think certain maintenance should be performed that is long overdue," he said. "A lick and a promise every now and then is a help, but I'd like to see more licks and less promises."

Bert Ricker, an older man in the back of the room, had spotted something else. "What is the Ice House lot?" he asked. "I can't find anyone who knows anything about it."

The town had purchased the lot for a future recreation area site, the first selectman, Leonard Hartford, informed him. Until enough money was available for the recreation center, the town needed $360 a year to maintain the premises.

Bert Ricker wasn't satisfied. He asked for—and got—specific answers about the Ice House acreage and how it came to be purchased.

The meeting was already well into its first hour when the moderator interrupted. He had made a mistake. He had forgotten to ask the minister for the invocation.

They bowed their heads and listened as the minister asked thanks for the "privilege of self-government and freedom that we are enjoying today. We don't have to look too far now to see that we haven't done that well on the national level."

The meeting continued.

Adult education came up. The citizens were asked to appropriate $1,500 to support their adult education program.

Bert Ricker again was on his feet.

"We raise quite a lot of money for teaching our children but I don't see why if an adult wants more education he shouldn't pay for it himself. I'm not in favor of raising money for adult education."

Evelyn Cross stood. "Mr. Ricker, if we don't vote for adult education then no one in the town of Nobleboro will be able to participate in this program."

From the back of hall came Ricker's reply: "So what."

More debate, more spirited now. Again, Ricker rose. "I don't see why I should pay taxes to send somebody else to school, 'cept for the children."

Millie Ball was on her feet. She is a housekeeper, with a son who drills wells and a grandson about to become a lobsterman when he graduates from high school this spring. She is from original Yankee stock, her family first coming over on the ship "Fortune," and she was angry.

"There are a lot of people who don't want any further education. Fine. They can stay in their barnyard. But I would like to have a chance to get a litttle more education and there are many other people in this town and that is the only way we can do it."

Again, Ricker replied: "So what."

More debate, and finally a vote. Adult education was approved by more than 2 to 1.

They were warmed up now and ready for the school question. The town officials had not fully gauged the emotions of their fellow citizens. Debate was long and heated. By the time a vote was called no one could have accurately forecast the outcome. The citizens of Nobleboro cast their ballots, one by one, in paper peanut butter cartons.

When the ballots were counted the motion to defer any action on the school issue had carried 119 to 96. "The way it looked, it might have gone the other way," said Bob Palmer, who runs the Nobleboro general store that he and his mother and father before him had operated, and is also the town clerk.

Nothing had been resolved, but the issue clearly had split the town. Nobleboro citizens will meet again on April 30 to decide what course they wish to take. Few in town today will make any predictions about the outcome.

Nobleboro's most distinguished resident did not attend the town meeting. Elizabeth Coatsworth never has. She and her husband, Henry Beston, who died seven years ago, came here in 1932 and settled on Chimney Farm, an old home filled with plants and paintings and surrounded by woods and pond, birds and raccoons and squirrels. Each made a national reputation as writers of books about New England and the Maine character.

Even though she has lived there for 43 years and loves the people and the countryside, she never went to the town meetings for a special reason—"I'm still an outsider," she said with a smile, "and I think they should decide what they want."

Outsiders or not, Elizabeth Coatsworth and Henry Beston each read the particular flavor of this part of America as well as anyone. Let them have the last word.

Henry Beston:

"To use a favorite word of the Maine vocabulary, its prizes were to be for the 'rugged'; from the first it would have no headlong frontier scramble, disorderly and squalid; it demanded courage, character and endurance. To this day, the state grants its people the inestimable boon—inestimable in the 20th Cetnury America—of not having things both passive and easy. It makes demands."

And Elizabeth Coatsworth:

"If Americans are to become really at home in America it must be through the devotion of many people to many small, deeply loved places . . . People on this back road retain the independent, self-respecting Yankee tradition. While here and there the blood has run out and families like plants have gone to seed, the men and women of our township are for the most part people of character and breeding, not cut out of any one pattern as by machinery, but whittled and showing the grain."

[From the Washington Post, Apr. 6, 1975]

EVERYTHING HAS COME AT ONCE

(By Haynes Johnson)

(NOTE.—For the last 43 years Elizabeth Coatsworth has been living at Chimney Farm at the end of a point of land overlooking Damariscotta Pond, surrounded by folds of unspoiled forest sloping down to Deep Cove, in Nobleboro, Maine. She became a distinguished writer of poetry, children's books and sketches of New England. Her husband, Henry Beston, who died in 1968, was the author of the nature classic, "The Outermost House," and other works about New England and Maine. In the following conversation with Haynes Johnson, Elizabeth Coatsworth talks about her life at Chimney Farm, and the changes she has seen. She will be 83 in May.)

When Henry and I came here in 1932 we were among the very first outsiders. We were able to buy this farm very cheaply because the man who had it just cut woodlots and then sold farms and bought another one. What we wanted was the grass around us and the woods. We had two children that we were bringing up and we wanted a place to live that was beautifully located, and we found it.

When we came here every one of the houses on this road had a very small farm attached—four or five cows, a cornfield. They were all subsistence farmers, and they seemed very happy as such. It wasn't a bad life. It wasn't like being tenant farmers or such. Now all those who remain have gone into the towns as clerks or garage attendants or as one thing and another. They have become townspeople. In this immediate district there are only two people who farm any more: Irving Oliver, at the corner where you turned, and the big farm, Hudson Vannah's at the head of the road. By working 18 hours a day Hudson has kept that farm as his father left it to him—as a big, prosperous-looking farm. Otherwise all the farms have turned into the houses of people who go to the Bath Iron Works or more likely to Damariscotta to work.

We are a scattered people, so scattered that we hardly make a town. I think that we have about 2,000 residents, but they're lost in the woods and grasses. You'll find it very hard to locate 2,000 people in Nobleboro. Originally Nobleboro contained Damariscotta, but now Nobleboro is the parent that has shriveled.

People here talk first of all about gossip, but they do talk about important issues, about offshore drilling and contamination and what to do with the town dump. Of course money comes out of a Mine town very unwillingly, and putting in sewers and things of that kind are fought to a down.

You see, everything has come very much at once here. We are only one generation back from the time when many people didn't have bathrooms. In the early days there was a little station where you crossed the railroad track and we were able to put up our hand and stop a train and go to Boston. Trains ran several times a day and there was a very close connection with Boston.

And to me there is something romantic, which is what I always like, about the Hudson Vannah farm. If you take the first curve to the left you will see beside the house a graveyard with four elms around it. It is the grave of a ship's captain. Not many people from Nobleboro went to sea. Anyway, this man went to Waldoboro and went to sea and became a captain, as most of them did, when he was 19 or 20. He was coming back from China and his ship had been sighted. His young financee had been told that he would land the next day in Boston and a storm came up and his vessel was wrecked on, I think, the Peaked Hills Bar, off Cape Cod. My husband knew just where the wreck took place.

I remember one day the old woman, the aunt of the man who now owns the farm, told how as a child she remembered the rain slashing at the windows and a telegram coming for her father. Her brother's body had come ashore on the Cape and her father was to go down and get it. And she remembered the bringing back of the body. It's one of the few graves that I have seen around here that has a ship on it. It has a ship under full sail—of course it should be with all the sails down—but it is under full sail among the graves. Miss Vannah remembered it. She told us about that 20 or 25 years ago and she must have been about 70 then, and this took place in her childhood.

We are in Lincoln County. It was named for Gen. Benjamin Lincoln. A member of the Lincoln family, that would have a great-uncle or a great-great-uncle of Abraham Lincoln's, walked with the Indians from Cohasset, which is in Massachusetts on the south shore, up to the mill on the way to Bunker Hill here. He settled there when he was a boy. He was a carpenter and he built many of the houses in Damariscotta Mills.

The Lincoln family was interested in bog iron and they moved down to Pennsylvania and then followed it on down to Kentucky. Once Henry and I were down there and we saw the Lincoln home, which was open. There were pictures that had belonged to Abraham Lincoln. Let's see—his father was Thomas and his grandfather was killed in the field by an Indian. This was his great-grandfather and mother's house. It was quite a stately mansion. There was nothing poor white about it. Anyway, there were very early daguerreotypes of Mr. and Mrs. Lincoln. If she wasn't an Indian I don't know what she was. It was Daniel Webster whose grandmother was supposed to have been an Indian, and I like to think that Abraham Lincoln and Webster got their power of expression from the Indian side of their family.

I was born in Buffalo. My father's family came to America from England, the county of Durham, a dale among the moors, perfectly beautiful. They had been tenant farmers there for hundreds of years. My mother's father was Adam Reid. When he was 21 he asked his Edinburgh father for a latchkey, and his father said, "Never," and he bought a ticket on the next boat and came over to Canada. Buffalo, of course, is a great pull for Canadians, or used to be, because the business prospects were so much better. He came on into Buffalo from Toronto, and that's how my mother and father met.

My father was always a Republican. I'm down as a Republican here—and I usually vote Democrat. In the old days one of our friends, Jake Day, an artist in Damariscotta, who was the man that my husband was visiting when he saw this place and fell in love with it, used to tell how he went to the Damariscotta Fair as a boy. (It was still running when we first came here; it was a charming thing.) And Jake's father used to point out a man as though he were pointing out a giraffe and he'd say, "That's a Democrat." Of course you know the state is largely Democratic now. That's one of the great changes.

I know more about politics now than I used to. I am primarily a poet and a writer for children. Such people live in a nutshell, in a small painted world. Only by accident do I look out the windows and see.

My daughters—one of them lives in southern California around Los Angeles and the other in Anchorage, Alaska—have four sons each. I think their children are going to have a very different life. They have grown up like amoeba. I think they will take the future changes no harder than I have taken my changes. I, too, have lived through two major wars and a depression and the rest, and I'm sure that they will live through what is coming to them with probably no more shock than I have.

ABORTION RESOLUTIONS

Mr. PACKWOOD. Mr. President, on March 11, I inserted in the CONGRESSIONAL RECORD a list of organizations which have endorsed the principle of free choice and individual conscience in the abortion issue. Also included in the RECORD was the full text of all statements and resolutions which have been issued by these groups.

Since March 11, several other thoughtful abortion statements have come to my attention. They include the Presbyterian Church in the United States, the Friends' Committee on National Legislation, the Women's Legal Defense Fund, the Americans United for Separation of Church and State, and Human Rights for Women, Inc.

I ask unanimous consent that these statements be printed in the RECORD, as an addition to the previous list.

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

ABORTION

(Adopted by the 1970 General Assembly of the Presbyterian Church in the United States)

INTRODUCTION

There is widespread uncertainty among Christians today about the complex moral issues involved in abortion and the laws regulating abortion. Debate concerning proposed revision of existing abortion laws in twenty-five state legislatures has raised serious questions about statutes which forbid qualified physicians from terminating unwanted pregnancies and turn thousands of women into felons because they have had illegal abortions. Publicity about disabilities or deaths resulting from illegal abortions, the increasing number of persons seeking "therapeutic abortions," and the realization that many well-to-do American women receive legal abortions overseas have focused public attention on this problem. Pastors and friends have experienced frustration in their attempts to counsel persons involved in "problem pregnancies." The changing role of women has produced a desire on their part for greater self-determination in accepting their role as mothers and/or wage earners. In these and other ways, the moral questions surrounding abortion have been thrust upon us.

CHANGING PERSPECTIVES THROUGH HISTORY

Throughout the thirty centuries of recorded history—the interruption of pregnancy, whether intentional or accidental, has been widely, though not universally, regarded as a serious offense. Although many of the early Greek philosophers commended abortion when the age of economic circumstances of the parents necessitated it, the Hippocratic Oath quite early affirmed the medical profession's pledge "not to give to a women an abortive remedy."

The early church condemned abortion on the grounds that is constituted murder. This raised for subsequent generations of theologians the question of the stage of development at which the fetus becomes a person.

Augustine's distinction between a "nonanimated" and an "animated" fetus was formalized in Roman Catholic canon law and later carried into English Common Law. Thomas Aquinas further refined this distinction by teaching that life is evidenced by "knowledge and movement," thus providing the test of "quickening" or movement within the womb as the determination of when a fetus should be regarded as a person. Interruption of pregnancy before "quickening" was thus permissible under English Common Law. Yet by maintaining that "the soul is infused immediately at the moment of conception," most Roman Catholics regard willful abortion as a sin, regardless of the stage of fetal development.

The unqualified condemnation of abortion has been questioned in recent decades by many Christians, Protestant and Roman Catholic alike, who are less certain that a clear answer can be given to the question as to when human life begins, and hence are unwilling to assert categorically that the fertilized egg is a human being in the fullest sense. Concerned not only about the morality of requiring women to bear children conceived as the result of criminal acts, but also the potentialities for full personhood for an unwanted or gravely deformed child, these Christians see the problem in the larger context of responsible parenthood and the wholeness of family life. Subsequent medical advances have made it possible to predict physical deformity and mental retardation and to terminate an unwanted pregnancy without endangering the life of the mother. Thus abortion has become a genuine alternative to many unwed mothers and married women desiring to limit the size of their families or to avoid the anguish of bearing seriously defective children.

THE CURRENT SITUATION

Recent efforts at legislation reform have led ten states to reverse their laws in order to permit therapeutic abortions to protect the mental and physical health of women, to prevent the birth of deformed children, and in case of rape or incest. Yet such "reforms" have not substantially reduced the number of illegal abortions. There is growing evidence that such laws discriminate in favor of the rich and are of little help to women who lack the money or power to persuade the required number of doctors that they qualify for a legal abortion.

Another approach to reform can be found in the courts where it has been held recently that antiabortion laws represent an unconstitutional infringement on individual women's rights to medical care. Those responsible for such litigation insist that abortion should be available to all women who desire it, to the poor and single as well as to the affluent and married. Hence they propose that the regulation of abortion should be removed from the criminal code and treated like other standard medical procedures, with the decision solely in the hands of the patient and her licensed doctor.

However reform comes—whether through legislation or litigation—it is clear that attitudes toward abortion laws are shifting, and Christians are being asked to clarify where they stand and what light their Biblical faith sheds upon decision making in this area.

BIBLICAL AND THEOLOGICAL INSIGHTS

Because this is a matter of life and death, and involves questions about the quality of life and the conditions which make life genuinely human, few moral decisions are more difficult and complex than the ones surrounding abortion. The following Biblical and theological insights seem particularly helpful as we struggle with these issues:

1) Biblical faith points to a God who is the giver of life and creator of man, and who charged man to "be fruitful and multiply." Faith in this God demands profound respect for human life. All who share this faith are thus called to preserve and protect human life and to show special concern for infants, the weak, the innocent, and the defenseless.

2) At the same time, Biblical faith depicts man as a steward of life, the heir who is responsible for the proper care of his Father's world. A sense of responsibility for the care of God's world leads men of faith not only to an exploration of all of creation but also to endeavors to maintain order, secure justice, and improve the quality of human life. Because human life, in the Biblical sense, is much more than the perpetuation of physical existence, men of faith should commit themselves to improving its quality spiritually, educationally, and culturally as well as medically. This commitment will often necessitate difficult moral choices in the midst of conflicting values.

3) Biblical faith emphasizes the need for personal moral choices, and holds that persons stand ultimately accountable to God for their moral choices. If persons are to exercise their freedom responsibly acceptable alternatives must be available to them. The church has a responsibility to help make acceptable alternatives available. Moreover, the church has a responsibility to aid persons as proclaiming the freedom, which it can fulfill through such means as proclaiming the Biblical faith, clarifying alternatives and their probable consequences, and offering support in love to persons struggling with difficult choices. Christians should make their personal decisions in the context of the community of faith.

4) There is no consensus in the Christian community about when human life begins. Because of this uncertainty, and because the fetus, if left to termination of its normal gestation period would become a person capable of life on its own resources, the unborn fetus must be respected for its own worth regardless of the period of gestation. However, the need of the mother may at times take precedence over the needs of an embryonic and unformed child, and the rights of the individual woman, her family, and society, as well as the rights of the fetus should be considered in each individual case.

SUMMARY

1) Induced abortion is the willful destruction of the fetus. Therefore, the decision to terminate a pregnancy should never be made lightly or in haste.

2) The willful termination of pregnancy by medical means on the considered decision of a pregnant woman may on occasion be morally justifiable. Possible justifying circumstances would include medical indications of physical or mental deformity, conception as a result of rape or incest, conditions under which the physical or mental health of either mother or child would be gravely threatened, or the socio-economic condition of the family. The procedure should be performed only by licensed physicians under optimal conditions, and with appropriate medical consultation and ministerial counseling, preferably with her own minister.

3) Laws concerning abortion should reflect principles set forth in this paper.

4) Medical intervention should be made available to all who desire and qualify for it, not just to those who can afford preferential treatment.

5) The church should develop a greater pastoral concern and sensitivity to the needs of persons involved in "problem pregnancies." Such persons should be aided in securing professional counseling about the various alternatives open to them in order that they may act responsibly in the light of their moral commitments, their understanding of the meaning of life, and their capacities as parents.

STATEMENT TO CONGRESSIONAL COMMITTEES IN OPPOSITION TO CONSTITUTIONAL AMENDMENT PREVENTING ABORTION

(Approved by the General Committee of FCNL at the Annual Meeting, Washington, D.C., January 26, 1975.)

Members of the Religious Society of Friends (Quakers) have a long tradition and witness of opposition to killing of human beings, whether in war or capital punishment or personal violence. On the basis of this tradition, some Friends believe that abortion is always wrong.

Friends also have a tradition of respect for the individual and a belief that all persons should be free to follow their own consciences and the leading of the Spirit. On this basis some Friends believe that the problem of whether or not to have an abortion at least in the early months of pregnancy is one primarily of the pregnant woman herself, and that it is an unwarranted denial of her moral freedom to forbid her to do so.

We do not advocate abortion. We recognize there are those who regard abortion as immoral while others do not. Since these disagreements exist in the country in general as well as within the Society of Friends, neither view should be imposed by law on those who held the other.

Recognizing that differences among Friends exist, nevertheless we find general unity in opposing the effort to amend the United States Constitution to say that abortion shall be illegal.

WOMEN'S LEGAL DEFENSE FUND, AUGUST 1974

Women's Legal Defense Fund believes primarily in the freedom of the individual, whether male of female and as a free individual that person has the freedom of choice and control over his or her body. Consequently the right to bear a child should be a matter for the individual female to decide and she should have exclusive control over that decision.

AMERICANS UNITED FOR SEPARATION OF CHURCH AND STATE

MARCH 22, 1974: STATEMENT OF C. STANLEY LOWELL, ASSOCIATE DIRECTOR

. . . The Supreme Court in an excellent 1973 opinion has charted a careful course and rendered an opinion on this matter whose logic is impeccable. What the Court recognized was the right of the woman to control her own body and to have such children as she chooses to have. At this point, the rights of the mature, human personality should take precedence over alleged fetal rights. To be sure, the Court carefully delineated the woman's right in this situation. Her right to an abortion under certain conditions is recognized, but the conditions themselves are carefully spelled out. To deprive the woman of this authority over her own body is to deprive her of basic civil and religious liberty. It is to degrade woman to the level of a common chattel. Why should government step into such a situation and force a woman to bear a child she does not want, may deeply resent, and have no intention of caring for? This is an area of experience where political authority should hold its interference to a minimum.

The rights of the fetus are only a part of a number of rights and values that are involved in each pregnancy situation. Another right is that of the child to proper care and a fair opportunity to make something of himself. It is a low form of cruelty to insist ruthlessly on bringing into the world a child for whom there is no welcome, no proper care and nurture, and no chance for a

decent life. It is all very well to argue about the rights of a fetus. But what about the rights of the child? There is no virtue in a legal insistence on bringing into the world unwanted children doomed to poverty, disease and delinquency.

The entire effort of government to ban abortions is futile, in any case. Abortions cannot be banned, no matter what kind of restrictive or prohibitive laws may be passed. What you can do, and what you now propose to do in this legislation, is to transfer the place of abortions from the hospital room or the physician's office with its carefully sterilized equipment to the filthy backroom with its hooks and hangers. It is a proposal to exchange a perfectly safe procedure for a very risky procedure with a high fatality rate. The proposal before you is not humane; it is barbarous and wicked.

We do not need to speculate as to the merit of keeping the abortion reform that has been achieved today. The facts speak for themselves. It is significant to note that dramatic improvement in certain categories has been recorded since abortion reform came to New York State where women who want abortions can now have them safely and economically. In New York City there has been a dramatic drop in out-of-wedlock births. Such births dropped in 1971 to 12% of all births from the previous year's all-time high of 26.4% of all births. In one New York City hospital, nearly 15 infants per thousand deliveries were put up for adoption or abandoned by their mothers. The year following abortion reform this figure fell to 6.6 per thousand births. Perhaps, even more importantly, maternal deaths per 10,000 births in New York City dropped from 5.3 in 1969 to 2.6 in 1972, the lowest figure ever recorded.

What is needed in this whole situation is a proper balance. Human beings should be left with the freedom to judge each situation in the light of its total context and in accordance with their own conscience. Emotional clergymen, who themselves have never had any direct experience with parenthood, come here pleading the cause of just one value that is involved—that of the fetus. A properly-oriented legislative purpose should consider the full composite of values. These values would certainly include the desires of the woman herself, the welfare of the prospective child, and the good of society.

FREEDOM FOR WOMEN—THE SUPREME COURT'S ABORTION DECISIONS

JANUARY 22, 1973.

The Fourteenth Amendment to the Constitution prohibits the States from depriving "any person of life, liberty, or property, without due process of law." On the above date, the Supreme Court held that the right of privacy is "founded in the Fourteenth Amendment's concept of personal liberty and restrictions upon state action." The Court concluded that a woman's right of personal privacy includes her decision on whether or not to have an abortion.

The right of privacy, like other rights protected by the Due Process Clause of the Fourteenth Amendment, is not absolute. That is, it may be affected by State regulation, but only where the regulation limiting the right is necessary because of an overriding "compelling state interest."

The Court further held that "the word 'person,' as used in the Fourteenth Amendment, does not include the unborn." That Amendment has no "pre-natal application," and "the fetus, at most, represents only the potentiality of life."

In applying these principles, the Court stated that after approximately the first trimester of pregnancy the State, "in promoting its interest in the health of the mother, may, if it chooses, regulate the abortion procedure in ways that are reasonably related to maternal health," and "[f]or the stage subsequent to viability the State, in promoting its interest in the potentiality of human life, may, if it chooses, regulate, and even proscribe, abortion except where is is necessary, in appropriate medical judgment, for the preservation of the life or health of the mother." *Roe* v. *Wade*, No. 70–18.

The State may not require that an abortion be performed in a hospital during the first trimester. The State may not require that an abortion be approved by a hospital committee at any stage, since no other medical or surgical procedure requires committee approval. Nor can the concurrence of two other licensed physicians be required. Finally, a State may not impose a residency requirement for securing abortions. *Doe* v. *Bolton*, No. 70–40.

Comment: The Court's decision sets a new moral tone for the Nation: Affording the protection of the Constitution of the United States to a woman's right to decide whether she wants to terminate a pregnancy or have a child recognizes the dignity of women as people. This is now constitutional doctrine. It is the law of the land.

No longer may we be subjected to legal restrictions that implicitly regard women as reproductive instruments of the State. No longer need the enjoyment of sex be tainted with guilt and fear of pregnancy, which often results in resentment and hostility to men, embitters our hearts and damages our personalities. No longer are we prisoners of the State and of men.

No longer need we bear unwanted, unloved children. We can choose not to have any children or plan childbirth so that it does not destroy our careers. We need not be condemned to dependency on men.

With our new constitutionally protected right to self-determination, no longer can sex be a tool for the oppression of women. It has lost its power to control our lives. Sex is thereby de-emphasized and placed in proper and healthier perspective. [M.E.]

NEW VITALITY IN STATE GOVERNMENT

Mr. MUSKIE. Mr. President, at a time when public opinion polls demonstrate a devastating loss of public confidence in government at all levels, positive stories about government reform are welcome news. An interesting article published in the Washington Post earlier this week attests to the growing vitality of State governments throughout the Nation.

Reviewing recent reorganizations of State executive departments in Missouri, Georgia, Delaware, and elsewhere, Neal R. Peirce concludes that:

What the new wave of reorganization does mean is that the governors, in fact as well as theory, are becoming the chief executives of their states . . . The voters can really hold the governors accountable for the success or failure of service delivery by state government. At a time of unparalleled public cynicism about politicians and government, no development could be more important.

I ask unanimous consent that the article entitled "Reorganizing State Government," be printed in the RECORD.

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

REORGANIZING STATE GOVERNMENT

(By Neal R. Peirce)

Missouri's 36-year old governor, Christopher "Kit" Bond (R), glows with excitement when he talks about what seems the deadliest of subjects—state government reorganization.

Indeed, Bond has reason to be pleased. Until recently, Missouri had one of the most disorganized, unresponsive state governments in America. The citizen looking for service had to cope with an almost incomprehensible array of 90 overlapping "underlapping," uncoordinated agencies, boards and commissions.

Then, a few months ago, years of effort culminated in a sweeping reorganization that reduced the number of Missouri government departments to 14, each responsible for a clearly defined area.

The Missouri reform puts the "Show Me" state in a class with 19 others which have completely overhauled their structures in the past 10 years. There are another 20 states that have gone part way with reorganization, establishing several consolidated departments in fields like the environment, transportation and social services.

For broad-gauged reform of state government, there has never been a decade like it in American history.

My key question to "Kit" Bond was whether reorganization really makes any difference for the average citizen. He responded with the example of the Missourian looking for visiting nurse service, either for himself or herself or an aging parent.

Until last year, he said, the citizen might have gone to the state office of aging, the welfare office, the health department, or his county government. Whether he found a visiting nurse service where he looked would have been a matter of pure luck.

Now, Bond points out, visiting nurse service is one of many functions consolidated under the new state department of social services. "Instead of three or four different agencies covering the same tracks, often duplicating efforts, we have one department responsible for seeing that problems like home health care are taken care of."

Polluted waters are another example. Before reorganization, Missouri had 22 government agencies concerned with water problems; now the state's new department of natural resources is responsible for coming up with a single, clear-cut response on any water problem citizens bring to it.

Bond's enthusiasm about reorganization is mirrored again and again when one talks with governors who were able to persuade their newly apportioned legislatures—or the people in statewide referendums—to overhaul state government structures.

Each governor points to new efficiencies and economies reorganization has made possible in his state. In some states, the restructuring has averted or minimized the massive deficits threatened in this year of recession and inflation. But the ultimate payoff of reorganization, the governors insist, is in filing citizen needs where they were not met before.

In fact, the people who form the natural "constituency" for reorganization—businessmen, taxpayer watchdog-groups, and well-informed citizens disgusted with the traditionally horrendous organization of state government—may not be those who benefit the most.

Jimmy Carter (D), who recently stepped down as governor of Georgia after spearheading the reorganization of 300 departments and boards into 22 functioning agencies, argues that the reformers tend to be self-reliant folk in any event.

"The people who benefit the most from a drastic clarification of the government process," he says, "are those the most dependent on government for services in the realm of welfare, public health, prison reform, problems of alcoholism, the aged, the drug addicts the illiterate citizens."

Former Gov. Russell W. Peterson (R), now chairman of the Council on Environmental Quality, accomplished a model restructuring of Delaware government into 11 cabinet departments in 1969–70.

He recalls that in the old days Delaware was ruled by a commission form of government, with some 140 separate entities. The commissioners all had other regular employment, and met only once a month. To get action on a problem, a citizen might have to cultivate all the members of a particular commission. Delays in action were interminable. Log-rolling was prevalent; to get a particular road black-topped, for instance, there might have to be agreement to get a bridge built in the home area of a recalcitrant commissioner.

When the cabinet form took effect, Peterson said, "my seat as governor got a hundred times hotter overnight. Now everyone knew the responsibility was with me and the cabinet secretaries I appointed and controlled."

The precise nature of reorganization has almost as many forms as there are states. In some cases, like Georgia and Delaware, the old agencies are abolished in one fell swoop and state government is reconstituted from the ground up. Others, like Massachusetts and California, set up "umbrella"-type supercabinet posts, and then, over a period of years, reorganize the old-line agencies below them.

Still others, like Arizona, Kansas, and Ohio, reorganize just one or two areas at a time.

No matter how it is done, reorganization runs into a buzz-saw of resistance from entrenched bureaucracies, jealous state legislators, and special interest groups who see their "special working arrangements" with old agencies in jeopardy.

Such pressures have stymied reorganization in several states. The real governing of Texas, for instance, is still done by more than 200 boards and commissions with overlapping six-year terms. New Hampshire has at least 70 agencies which theoretically report to the governor—which means, in practice, that none is really accountable to him.

Even where reorganization is accomplished, some serious compromises are often necessary. In Missouri, for instance, four of the 14 departments are still commission-run. Bond ruefully admits that the highway commissioner, who decides where roads will be built, has more influence over Missouri's physical development than he, as governor.

Nor can reorganization, in itself, solve all problems of state government. Quality leadership, sound budgeting and good administration are just as important. Moreover, reorganization is never a finished job. Periodic reassessments are vital. For instance, Wisconsin, which reorganized eight years ago, will be at the job again this year.

What the new wave of reorganization does mean is that the governors, in fact as well as theory, are becoming the chief executive officers of their states. With a limited number of cabinet or department secretaries whom they appoint and can fire at will, there is no longer a question about who is ultimately responsible.

The voters can really hold the governors accountable for the success or failure of service delivery by state government. At a time of unparalleled public cynicism about politicians and government, no development could be more important.

Viewing the atrophy of state government in 1965, Sen. Everett McKinley Dirksen warned that the time was not far off when "the only people interest in state boundaries will be Rand-McNally."

But a single decade has brought such a sweeping rejuvenation of state governments that no national politician would dare make that statement now.

OUR RESPONSIBILITY TO THE MIA'S

Mr. BUCKLEY. Mr. President, I am pleased to join the Senator from New Mexico (Mr. DOMENICI) as a cosponsor of his joint resolution. The tragedy of those Americans still listed as missing in action in Southeast Asia continues. For the families of these men, the fact that the Communists continue their march southward in violation of every provision of the Paris Accords comes as no surprise.

Since the signing of the Accords, the Communists have been totally unwilling to keep their solemn and unconditional promise to help locate the bodies of American war dead, to return the remains to the families, and to release any information about the men who might still be alive as is required by article 8 (b) of the Paris Accords.

I believe that we have a special responsibility to these men and that we must pursue every avenue open to us in an attempt to obtain a complete accounting. The U.N. is an obvious avenue of influencing the Communists, as it has gone to such pains not to embarrass the North Vietnamese. I would be less than candid, however, if I did not state that I am not optimistic about any efforts to elicit cooperation from the United Nations. Time and time again, the United Nations has proven itself impotent to act in major world crises. Even in those areas where humanitarian efforts are concerned, the organization has found itself embroiled in political controversy. Should the United Nations prove unwilling to assist in this most humanitarian of efforts, we should obviously reassess what the organization is worth to the American people.

I have some question as to the size of the cut suggested in the resolution, as there are nonpolitical functions of the U.N. that do serve a clear benefit to us and to the international community. The fact is, however, that it offers a useful avenue to apply pressure on the North Vietnamese to relieve the MIA families of their terrible burden.

BENEFITS FROM THE FORESTRY INCENTIVES PROGRAM

Mr. STENNIS. Mr. President, the figures on the accomplishments of the forestry incentives program for calendar year 1974 are now available, and I wish to summarize them briefly.

I am pleased to report that the forestry incentives program, which I had the honor to cosponsor with Congressman SIKES, and which became law as a part of the Agriculture Act of 1973, is yielding significant immediate benefits while preparing our basic forest resource to meet future demands for wood.

During 1974 the incentives program generated as estimated 363,000 man-days of gainful employment in hard-pressed rural areas. In the process 282,000 acres of rundown forest lands were improved by planting seedlings or applying cultural work, such as removal of diseased or misshapen trees.

The cost of this worthwhile undertaking was shared by nearly 14,000 owners of small tracts in a ratio of $3 million in private funds to $9 million Federal.

The program is of special interest to me because Mississippi is one of the leading States in total accomplishment. Its citizens planted 12,000 acres and improved growing conditions on 4,500 acres more. The Federal share of the cost of this work was $478,465, an average of $29 per acre.

National accomplishments were shared in by all of the contiguous 48 States with 170,000 acres planted and 112,000 acres improved in cultural treatments. About 84 percent of the planting occurred in the pinewoods of 13 Southern States, while more than one-half of the stand-improvement work was applied in the hardwood stands of Northern States.

It will be recalled that the Forestry Incentives Act authorizes the Secretary of Agriculture to develop and carry out a forestry incentives program to encourage a higher level of forest resource protection, development, and management by small nonindustrial private and non-Federal public forest landowners.

It is estimated that in 30 years the United States will need twice the amount of wood and other forest products that we now produce. A very substantial part of the required increase in production must come from privately owned nonindustrial forest lands, which average growth is only one-half the capacity.

The accomplishments under the program in the first year of operation clearly show that it is succeeding, and can attain its purposes.

In addition, Mr. President, under the present circumstances of high unemployment and efforts toward energy conservation, there are additional benefits from this program which should be pointed out.

The forestry incentives program is providing employment now, and in doing so it requires an input of at least $1 in private money for every $3 in Federal money.

The program is carried out in rural areas, where income levels are low and unemployment is a serious problem. It does not require expensive labor training programs.

The forestry incentives program is an investment in a renewable resource which yields products that are used in place of those from energy depleting sources, and it does so at a minimal consumption of energy.

I look forward confidently to greater accomplishments at both the State and national levels under the $15 million forestry incentives program the Congress has approved for 1975.

THE BEGINNINGS OF THE AMERICAN REVOLUTION

Mr. KENNEDY. Mr. President, in less than 2 weeks, on April 19, we will commemorate the opening battle of the American Revolution in Lexington and Concord, Mass. Thousands of visitors from all over the Nation will join in the celebration of America's first steps toward full independence and government by the citizens of this country.

An article in the distinguished magazine, Smithsonian, describes in very human terms what those days were like 200 years ago in Massachusetts. As we recall the struggle to form a new nation, we have the opportunity to renew our commitment to those principles of freedom and responsibility, justice, and compassion for which we paid such a high price in the lives of our first men and women citizens two centuries ago.

I ask unanimous consent that the article, written by Edward Park, be printed in the RECORD.

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

A SINGLE SHOT ON A SPRING DAY STARTS THE WAR

(By Edward Park)

Northwest of Boston, the land lies flat along the Charles and Mystic Rivers until, at the village of Menotomy, it rises suddenly. It remains level, however, until beyond Lexington. Then begin a number of rocky ridges, plowed aside by ancient glaciers, that stretch to the hills of Concord.

General Thomas Gage, Royal Governor of Massachusetts, has Concord on his mind as the winter peters out, surprising everyone with its lack of severity. Gage knows that this spring he must end the growing rebellion in Massachusetts. Spring is the time to move troops, and troops must be used to clamp down on the insurgents. Once that's done, then surely the Ministry will make concessions to salve bruised feelings and restore the Colonists to serene loyalty. Gage is most anxious for this to happen. He likes Americans.

To speed this happy prospect, Gage decides to send a force to Concord to seize military supplies. Concord is the current seat of the Provincial Congress, an illegal body which seems to have more authority over the Colony than Gage does. It is a stronghold of insurgency and also a convenient distance from Boston—21 miles if you march out Boston Neck, 16 miles if you take a shortcut by crossing the mouth of the Charles to Cambridge.

When, on the 16th of this month, Gage gets a four-month-old letter from Lord Dartmouth, Secretary of State, warning him that the King wants the rebel leaders arrested, Gage simply nods in partial agreement. He has already laid plans to send all his grenadiers and light infantry to Concord on the night of the 18th. If they happen to scoop up Sam Adams and John Hancock, the two leading revolutionaries, so much the better.

Adams has been suffering lately from the sick feeling that his revolution is withering on the vine. Boston is being strangled by the British; its anger should be at flash point, but what with the advent of spring and the flow of supplies from other Colonies, no one seems to want to go to war anymore. People are more interested in spring plowing and courting in the moonlight while the peepers sing in every April puddle. The Provincial Congress has been a waste of time. Many of its members have been claiming to have spring colds so they don't need to show up.

With Adams is young John Hancock, rich, spoiled, elegant, shallow and utterly political in all his motives—but vastly useful to the cause. They are staying at the Reverend Jonas Clarke's parsonage in Lexington because Mrs. Clarke is Hancock's cousin. It's crowded but convenient—only a six-mile ride to Concord.

Adams adjourns his congress on the 15th. Next day, Paul Revere rides out from Boston bringing the news that the British troops are doing some suspicious things.

Gage has 11 regiments in Boston; each has a company of grenadiers and each is supposed to have a company of light infantry, though one company hasn't arrived. He calls for these special companies to stand down from regular duties and alerts the transports in the harbor to ready their longboats for a little ferrying. Colonel Francis Smith of the Tenth Regiment is put in command of the Concord expedition—a stout man with a well-earned reputation for being slow to move. Seconding Smith will be Major John Pitcairn of the Marines, also stout, but quick and decisive. He is a decent man, well liked by the Americans as well as his own men.

On the 18th, Gage sends a group of his bored young officers for a ramble in the countryside, out toward Concord. They are to wear side arms, but must conceal them under their cloaks, for off-duty officers must not bear arms by special order. They are to watch for signs of insurgent activity—heavily loaded wagons, groups of men on the move, that sort of thing. Gage stresses the need for secrecy. He is annoyed when his brigadier, Hugh, Lord Percy, a popular young colleague, reports that the news of a march on Concord seems to be the gossip of Boston. Too late now. The fat's in the fire.

At ten p.m. on the 18th, some 700 light infantrymen and grenadiers assemble and march quietly down to the riverfront. They must wait a miserable length of time for Smith. Then they cross the Charles and reassemble in the Cambridge swamps. Again they must wait, two hours up to their knees in a marsh, for rations which they do not want. At about two a.m. they march off very quietly up to Menotomy (which one of their officers insists upon calling "Anatomy"), and on toward Lexington. They are wet, disgusted and cynical about the loss of secrecy, for all about them in the dark, bells are ringing and distant muskets firing. They are also overjoyed at being out of Boston and headed for adventure in the soft countryside, with a bright moon above.

Revere has been responsible for spreading the word (SMITHSONIAN, April 1973), but he's almost too far ahead of the British. He arrives in Lexington at about the time the troops are standing in the mud. Swinging up to the Clarke house, he finds the lights out and a militia guard outside telling him to cut out the noise.

"Noise!" says Revere, "You'll have noise enough before long. The Regulars are coming out!"

Clarke sticks his head out of the window to see what the fuss is about. Revere won't talk to him. His message is for Adams and Hancock, and he is too tired and tense to take any nonsense. And then Hancock's voice comes from inside: "Come in, Revere; we're not afraid of *you*." Half an hour later, up rides Revere's friend Billy Dawes, who took the long route from Boston with the same message. They have a drink inside while couriers rouse the minutemen and Captain John Parker comes in for a briefing.

The minutemen assemble, then are dismissed and kept on call, for there's no sign of the redcoats. Many walk from the green over to Buckman's Tavern, beside it, and toy with a pot of rum to still the quiver in their guts. At about dawn someone gives a shout and they all hurry out to the green again and form a ragged line—60 or 70 men. Townsfolk gather in excited throngs around the green.

Eastward, where the road approaches from Boston, the sky lightens and a fat spring robin shouts from the tree beside the meetinghouse and its adjacent belfry. And then, incredibly, the whole eastern view seems filled by a rippling mass of black caps and shiny, swaying bayonets. The scarlet jackets look dark in the dawn light as the mass comes nearer. There are so many, so very many. The men on the green catch their breaths and swallow dryly.

Officers on horseback ride forward and the minutemen hear confused shouts to lay down arms and disperse. Parker turns and says something; the men near him begin moving off the green, still carrying their guns. There are more shouts—then, with awful clarity, the sound of a shot. No one can tell where it comes from, but it is followed by other scattered shots and then the dawn is ripped by a red gout of fire and the crash of a military volley. And suddenly everything is over for eight Americans—and for all the hopes of peace that Gage has had, that Benjamin Franklin has had, that the Earl of Chatham has had, that Thomas Jefferson has had, that George Washington has had, that King George III has had.

The British officers, appalled, whirl their horses around and make the slashing downward saber stroke that signals "cease fire," but the light infantrymen are out of hand, charging in now with bayonets. When finally they are brought to order, they shout a huzza, giving voice to all the frustrations and insults they have suffered in Boston. They form and swing off on the Concord road as the grenadier companies, coming behind, reach the green.

There, a young man crawls the 50 yards to his own doorstep and as his wife opens the door he looks up at her and dies. And an old man sitting on the wet sod, his musket half reloaded, slumps forward, his insides torn apart by a bayonet. Silent with shock, the villagers move among the bodies. Sam Adams, hastening to safety with John Hancock, savors the distant sound of musketry. "What a glorious morning this is," he exclaims.

THE MILITIA AND THE BRITISH PARADE IN TANDEM

Glorious it is, in a simpler sense than Adams means, for the sun is up on a warm, bright day. The Regulars, stepping out for Concord, can forget silence and secrecy, for the cat is well out of the bag. The fifer and drummer for each company move forward, and sprightly tunes lift tired feet and remind all ranks that they are elite troops of the world's finest army. Fifers and drummers wear regimental colors in reverse—where the Tenth Regiment wears scarlet coats with yellow facings, the Tenth's bandsmen wear yellow with scarlet facings.

Concord's men have been alerted for hours, and the supplies are well hidden. But the persistent rumor of real gunfire in Lexington is worrisome. So down the Lexington road march some 200 Concord men, muskets and fowling pieces aslope, powder horns dancing on hips as the fifer and drummer give them the impudent tune of *Yankee Doodle* to keep them in step. They round a bend—and there ahead is a great waving column coming right at them, white breeches flashing in the sun, metal buttons gleaming. The front ranks are a brilliant array of yellow coats, buff coats, black coats, blue coats, all with scarlet facings, and behind come file after file of scarlet. With enormous sangfroid, the militia executes an about face and

heads back to Concord, the fifer still playing, and 200 yards behind them, the British musicians come to life and pick up the American tempo with a sudden shrilling of fifes and deep bellow of regimental drums. "Grand music," a Concord corporal notes wryly to himself.

The Americans keep to the heights around Concord while the British enter town and set about their search for stores. Grenadiers do the work, hulking men being very careful not to cause trouble after the bad business in Lexington. They miss most of the supplies, allowing themselves to be chivied off by vociferous old women brandishing brooms and screeching imprecations. But they find some gun carriages and set them afire. And that causes a lot more trouble.

For the Americans have by now gathered on Buttrick's hill, overlooking the North Bridge over the Concord River. There are about 400 of them—the Concord men and newly arrived minutemen from Acton, Bedford and other neighboring towns. Facing them, guarding the bridge, are three companies of British light infantry. Three other companies have moved on to search out more supplies. When the smoke of the burning gun carriages rises above the bare trees toward town, the Concord men think their homes have been set aflame. Cursing and pointing, they start toward the bridge, half running down Buttrick's hill. They far outnumber the three British companies (there are about 28 men to a company), and the British prudently scurry back across the bridge and take up a formation for street fighting wherein one rank can fire, then move aside and form again in the rear while the next rank fires—and so on. A couple of redcoats dash back to the bridge and begin tearing up the planking. "Stop doing that to our bridge!" shouts Major Buttrick, and the British look up, abashed, and obediently trot back.

By now the Americans are swarming down toward their end of the bridge, tramping through the low ground where the river always floods in April—except in this year of the mild winter. British officers shout at them to halt, and a few pistol bullets strike the water as they fire to the side to deter the Americans. It doesn't work. The militia are almost on the bridge now, and an order rings out clearly from the other side. Then there is that awful rippling blast of dark flame and white smoke as the leveled Brown Bess muskets of the front rank discharge their volley. A couple of the Americans spin back and drop suddenly, and a high-pitched voice shouts "Fire! For God's sake, fire!"

And then, without much order, some 400 muskets and fowling pieces and even a few rifles open up with a rolling roar. Splinters fly from the bridge; twigs bearing April buds spin down, clipped from branches and bushes. Reeking smoke hides the scene and when it clears off the Americans gape at the back of those scarlet coats, bobbing away toward town. The Americans cross over and look down at a few sprawled bodies—their own king's troops. One badly wounded soldier, trying to crawl away, is seen by a dim-witted country lad straggling behind the main body of Americans. The sight so shocks the poor rustic that he smashes at the man's head with his hatchet as though trying to drive away the horror.

Of course, when the three foraging light infantry companies cross back over the bridge some time later, they note the grisly sight and report that Americans are scalping and gouging their victims.

It is apparent to Colonel Smith that April 19 is not his day. He and Pitcairn assemble their forces and start back toward Boston. They are aware that armed men are lining the ridges beside the road, but they have long ago sent back to Boston for reinforcements and they feel they can extricate themselves from this mess without too much trouble.

They can't. The men on the ridges leave the British alone at first, as the red column starts back. The Americans have had a bellyful of violence, this bright spring day, and they don't really want any more. They just want to make sure the redcoats get out of town. But every minute, now, new militiamen are arriving over hills and across fields. They wear scraps of old provincial uniforms—or simply farm smocks and perhaps worsted caps. They carry muskets their fathers used in the French wars, 20 years ago, and pouches where shot mingles with slabs of salt pork and hunks of cornmeal journey cake (johnnycake). They have all heard vastly exaggerated tales of stand-up battles with the redcoats ending in splendid triumphs for the militiamen. They want to get into the action. When they reach the Concord ridges and look down at the weary red column trudging homeward, they find it the most natural thing in the world to snuggle down behind a rock and squeeze off a shot.

Galled by this firing, the grenadiers often halt, face right and left and slam out a volley in return. But they have few targets and, anyway, their technique is not to aim particularly, but to fire forward and so lay down a curtain of lead—most effective in open country where European wars are fought. But this is rough terrain, and Americans know nothing except a smattering of the Indian tactic of hide-and-snipe.

The first road junction east of Concord is called Meriam's Corner. Here the Colonials are lying in wait for the British, and a hail of musketry pours in. Tall grenadier caps fly in the air as men sag and topple on the road. Americans following behind find puddles of blood in the ruts.

Tired though they are, the British light infantry companies spread out to do their job—to sweep the flanks of the main column, flushing ambushers like partridges. And American losses begin to mount, for light infantrymen *do* take aim when they come up on their quarry. When the ridges taper off into the level land west of Lexington, the Americans begin hiding in houses and barns beside the road. And the light infantrymen smash their way in and shoot at everything that moves, then set fire to whatever will burn.

Yet as the day wears on, exhaustion becomes the chief factor. Some British troops now straggle, risking death or capture rather than driving their aching bodies any longer. Colonel Smith is wounded, but cannot sit his horse because he is too tempting a target. He hobbles along in the ranks. Major Pitcairn's horse has bolted toward the Americans, carrying his fine brace of pistols in the saddle holsters. The Americans gratefully liberate them.

By the time the column reaches Lexington, the end is in sight. The flankers have pulled in, too tired to maintain the dogtrot that is required of them. Most men don't even pause to shoot back at the incessant fire from the flanks. Some break ranks and run blindly until they drop. As they hurry past Lexington Green, no one gives it a second look or a thought of the little skirmish at dawn that started the big day.

And then there is, for the beleaguered British, a wonderful sound—the buzzing whirr of a cannonball over their heads and the smash of planking as it rips into the meetinghouse, sending a party of Americans scampering for their lives. Ahead, the road is filled with fresh redcoat ranks. Lord Percy has arrived with the reinforcements.

Smith's men run for safety and drop gasping to the ground. Percy's two cannon bellow irritably to keep the pursuers at bay. Debonair as ever and now very much in charge, he turns Munroe's Tavern into a hospital, fixes his lines so the routed units can get some rest, then gets the whole outfit out on the road to Boston.

The march to Boston becomes more of the same until even Percy's reinforcements are exhausted by the galling fire from hidden farmers. As day fades, the whole contingent darts over Charlestown Neck and sprawls on the grass, under the protection, at last, of the guns of the anchored men o' war in Boston Harbor.

All around the town, myriad campfires spark to life in the twilight as the Americans sizzle their salt pork and warm their johnnycake for supper. Clearly, they don't intend going home just yet.

PROPAGANDA WAR BEGINS

And so the long day of April 19th ends. The British have suffered 73 killed, 174 wounded and 26 missing, which indicates that the Americans outnumbering them about four to one and, shooting at them from concealment all day, scored 247 hits. The Americans have lost 49 killed, 39 wounded and 5 missing.

No sooner is the shooting over than the propaganda war begins, both sides trying frantically to prove that the other side started it. The Americans are quicker with statements and couriers than are the British. The news (properly slanted) is in New York by the 23rd, in Philadelphia a day later. Minutemen keep arriving outside Boston. There are some 20,000 by the 20th, including Israel Putnam, a garrulous old veteran who actually leaves his plow in his Connecticut field in order to make the scene, and a party of New Hampshiremen who march 55 miles in 18 hours. The Provincial Congress meets in Watertown to appoint Artemus Ward commanding general. He is a nice man, but too fat to mount his horse. Putnam is made his second in command.

The news reaches Mount Vernon on the 28th, and George Washington adds it to the more local tidings of what has been happening at Williamsburg. For on the 20th, a group of Marines from a ship in the James River slip into the powder magazine in dead of night and make off with 15 half-barrels before the watch discovers them. Lord Dunmore, of course, is behind the raid, and the villagers are barely dissuaded from storming the governor's palace. Instead, they politely protest, and Dunmore replies that he's going to arm the slaves and burn the town. This stirs up the Virginians so that some 600 men are ready to march from Fredericksburg and get the powder back. Washington and other moderates cool these hotheads, but news of Concord and Lexington sends Patrick Henry off on the kind of glorious crusade he's been looking for. With 150 volunteers—who have to listen to a formidable amount of fiery oratory as part of the terms of their service—he marches on Williamsburg. Once more cooler heads prevail. Henry is persuaded to accept, on behalf of the Williamsburg townsfolk, a government payment for the powder and dismiss his expedition.

Even among people who have heard the news from the north, there is a feeling of unreality, a sense that life will go on despite the bloodshed in Middlesex County, Massachusetts. In Philadelphia, it is easier to read Tom Paine's generalities in *The Pennsylvania Magazine* or *The Pennsylvania Journal* than the specifics from Massachusetts. Last month Paine wrote an article damning slavery. This month, partly as a result, the American Antislavery Society is formed.

Out in Kentucky, Daniel Boone this month founds Boonesborough and some other settlements in the wilds beyond Cumberland Pass. Concord and Lexington are far, far away.

As the month ends, John Burgoyne, the King's general who faced overseas duty with so many moral misgivings, finds himself pacing the deck of H.M.S. *Cerberus,* bound for America with his follow generals, Sir Henry Clinton and William Howe. Burgoyne has left a note to be opened by King George upon news of the general's death. In it, he seeks a royal protection for his beloved invalid wife, Lady Charlotte. He doesn't seem too sad about his posting now, however. He and the other two have got the frigate laden down with boxes of food and cases of wine.

Benjamin Franklin is also on the Atlantic as the month closes. He is headed home at last, his years of service in England, his dreams of having a direct role in building a British Empire to the Pacific all finished, hopeless. With him, aboard *Pennsylvania Packet,* is his grandson, William Temple, the bastard son of William Franklin, Benjamin's firstborn.

In France, this month, the king's Foreign Minister, Charles, Comte de Vergennes, writes a letter to Pierre Caron de Beaumarchais, a strangely powerful court figure who began his career as a watchmaker. Beaumarchais is to get a million livres from France and an equal sum from Spain, and with it he is to start a private commercial firm "at your risk and peril" and begin supplying the Americans with arms.

They need all the help they can get. In Cambridge, where Ward's "army" is encamped, there is a miasma in the spring air. Camp kitchens, slaughter pens for cattle, latrines, graves—all are inextricably mixed. Food is terrible, illness is rife, discipline is almost absent. Men who elect their own officers do not expect to have to obey them against their wishes—and the officers are well aware of the best way to get elected. So there are no great demands put on the soldiers, no punishments. They come and go as they wish. But, oddly enough, there are always enough of them there, ringing the city of Boston, to keep the British inside. As every day passes it becomes more obvious that, just as Sam Adams and Dr. Joseph Warren are saying, a war of sorts has indeed begun.

With the raising of the curtain, the prelude to the Revolution is over. Now at last we can end our pretense at direct involvement with the 18th century and step back to the 20th with its convenience of perspective. We know that the bumbling, awkward start that was made that April resulted finally in victory. We can even understand why, thanks to other events in our more recent history that seem to prove that consistent guerrilla pressure cannot be stamped out. We have seen England learn it, Germany, France—we have learned it ourselves.

We have been concerned, however, with the start of the American Revolution, not the outcome. And there is one point about the start that still titillates us, despite all our sophisticated knowledge and perspective: Who really *did* fire the first shot—the "shot heard round the world"?

Let's recapture the scene: the minutemen on Lexington Green, tense and frightened; the advance detachment of light infantry marching up, halting, forming a broad front to cope with whatever these yokels think they will do about it. Both sides are at the psychological point where they will pull a trigger. But consider yourself one of the minutemen. Would *you* deliberately aim and fire at that great scarlet array with all those gleaming weapons ready to give it right back to you? Now consider yourself an infantryman. Would *you* take it upon yourself to cut loose, all alone in the ranks, your single shot ringing out with nightmarish clarity, the prospect of some savage company punishment firmly in your mind?

Yet what if you were a laggardly militiaman who had dawdled too long over your rum to make it to the green on time? What if you went to an upstairs window of Buckman's Tavern, your musket loaded and primed, and peered out at the scene below—the line of citizens on the green, the ranks of soldiers facing them, the onlookers along the sides, the officers prancing up on their horses, calling our for dispersal? Your shot, you think, might start something very good. Anarchy sometimes seems attractive from afar. It's obvious to you that war is coming, so why not be a hero and kill an officer?

So you aim and fire—and miss. And in a moment you see eight fine men dead on the green, so you decide to shut up about it. Then, later still, Mr. Adams and Dr. Warren make it perfectly clear that the British started the war, so you worry your little escapade to the grave with you.

There is another possibility. The young British officers on that expedition had been cooped up all winter and were desperate for action. Here, in the half-light at Lexington, they saw a chance for it and mounted officers probably drew their pistols. How easy, then, to cock one, to grip it too hard as you yank it from its holster, to loose a harmless shot at the ground. Gunsmiths say that a well-worn flintlock could go off from the presumably safe half-cock position of the hammer. The war could have started by accident.

FIRST SHOT WAS INEVITABLE

It really doesn't matter. If the first shot had not been fired at Lexington, it would almost certainly have rung out at Concord. If it had not been fired on April 19, it surely would have been at the next confrontation. And if that had occurred in May, this column would have continued for another month.

For the spring of 1775 dawned on a mood of deep conviction shared by a considerable number of people—not everyone, but enough to produce an army of sorts along the Battle Road between Boston and Concord. The people whom we call forefathers were not unlike us—perhaps a bit simpler, a bit more ready to accept bad along with good, to relish their pleasures and yet still suffer for their beliefs. They were the sort who would, with quiet assurance, leave the laughter of the tavern and take their places on the village green in the waiting silence.

PRIVILEGE OF THE FLOOR

Mr. GRAVEL. I ask unanimous consent that during the consideration of S. 622, I be allowed an additional staff person, Lynn Finney, to assist me in my deliberations.

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

Mr. GRAVEL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

STANDBY ENERGY AUTHORITIES ACT

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the unfinished business, S. 622, which the clerk will state by title.

The assistant clerk read as follows:

A bill (S. 622) to provide standby authority to assure that the essential energy needs of the United States are met, to reduce reliance on oil imported from insecure sources at high prices, and to implement U.S. obligations under international agreements to deal with shortage conditions.

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. The pending question is on the agreeing to amendment No. 314 by the Senator from Alaska (Mr. GRAVEL), with 10 minutes debate on the amendment to be equally divided and controlled by the Senator from Washington (Mr. JACKSON) and the Senator from Alaska (Mr. GRAVEL).

The Senator from Alaska is recognized.

UNANIMOUS-CONSENT AGREEMENT

Mr. GRAVEL. Mr. President, I ask unanimous consent that the order be changed as to voting, and that we proceed to vote on my amendment No. 315 and, after the disposition of that amendment, then we will proceed to the disposition of my amendment 314.

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

Mr. JACKSON. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The request, the unanimous-consent request, was to take up No. 315 of the Senator from Alaska first and then revert to the Senator's amendment No. 314.

Mr. JACKSON. I have no objection.

Mr. FORD. Mr. President, I ask unanimous consent——

The PRESIDING OFFICER. Would the Senator withhold for one moment until we finish with this unanimous-consent request.

Is there objection to that request?

Without objection, it is so ordered.

There are 7 minutes on amendment No. 314 left to the Senator from Washington.

Mr. GRAVEL. How much time does the Senator from Alaska have?

The PRESIDING OFFICER. The Senator from Alaska has utilized his 30 minutes.

Mr. JACKSON. We are taking up No. 315.

The PRESIDING OFFICER. That is correct.

Mr. JACKSON. How much time remains?

The PRESIDING OFFICER. Seven minutes to the Senator from Washington on 315.

Mr. JACKSON. I am prepared to yield back my time on that.

Mr. GRAVEL. On 315—I have no time left on 315, as I understand it.

The PRESIDING OFFICER. That is correct.

Mr. JACKSON. If the Senator needs time, I will give it to him.

Mr. GRAVEL. No, I think we can proceed to vote on that.

The PRESIDING OFFICER. The Senator from Kentucky sought recognition for a unanimous-consent request.

Mr. JACKSON. I will yield for that purpose.

Mr. FORD. I ask unanimous consent that Tommy Preston, a member of my staff, be given the privileges of the floor during consideration of this legislation.

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

Mr. GRAVEL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRAVEL. How much time does the Senator from Washington have on amendment No. 315?

Mr. JACKSON. Seven minutes.

The PRESIDING OFFICER. Six minutes.

Mr. GRAVEL. Will the Senator yield to me at least half of it or all of it, if he does not want it, so I can use it on 314? Obviously we are not working under a gag rule, and I could——

The PRESIDING OFFICER. The Senator could have 5 minutes on 314.

Mr. GRAVEL. That would give me 10 or 11 minutes which are precious.

Mr. JACKSON. I will give the Senator all my time in reply to this amendment.

Mr. GRAVEL. And we will use it on 314.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AMENDMENT NO. 315

The PRESIDING OFFICER. The question is on agreeing to Mr. GRAVEL'S amendment, No. 315. [Putting the question.]

Mr. JACKSON. Mr. President, are the yeas and nays ordered on this amendment?

The PRESIDING OFFICER. They have not been ordered.

Mr. JACKSON. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Hawaii (Mr. INOUYE) and the Senator from Washington (Mr. MAGNUSON), are necessarily absent.

I further announce that the Senator from South Dakota (Mr. MCGOVERN) is absent on official business.

I also announce that the Senator from Montana (Mr. METCALF) is absent because of death in the family.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Hawaii (Mr. FONG), the Senator from Illinois (Mr. PERCY), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

I also announce that the Senator from New Jersey (Mr. CASE) is absent on official business.

I further announce that, if present and voting, the Senator from New Jersey (Mr. CASE), the Senator from Illinois (Mr. PERCY), and the Senator from Ohio (Mr. TAFT) would each vote "nay."

The result was announced—yeas 21, nays 69, as follows:

[Rollcall Vote No. 121 Leg.]

YEAS—21

Bartlett	Gravel	Packwood
Bellmon	Hansen	Scott, William L.
Buckley	Helms	Stevens
Curtis	Hruska	Thurmond
Dole	Laxalt	Tower
Fannin	Long	
Garn	McClure	
Goldwater	Montoya	

NAYS—69

Abourezk	Griffin	Nelson
Allen	Hart, Gary W.	Nunn
Bayh	Hart, Philip A.	Pastore
Beall	Hartke	Pearson
Bentsen	Haskell	Pell
Biden	Hatfield	Proxmire
Brock	Hathaway	Randolph
Brooke	Hollings	Ribicoff
Bumpers	Huddleston	Roth
Burdick	Humphrey	Schweiker
Byrd, Harry F., Jr.	Jackson	Scott, Hugh
Byrd, Robert C.	Javits	Sparkman
Cannon	Johnston	Stafford
Chiles	Kennedy	Stennis
Church	Leahy	Stevenson
Clark	Mansfield	Stone
Cranston	Mathias	Symington
Culver	McClellan	Talmadge
Domenici	McGee	Tunney
Eagleton	McIntyre	Weicker
Eastland	Mondale	Williams
Ford	Morgan	Young
Glenn	Moss	
	Muskie	

NOT VOTING—9

Baker	Inouye	Metcalf
Case	Magnuson	Percy
Fong	McGovern	Taft

So Mr. GRAVEL'S amendment (No. 315) was rejected.

Mr. GLENN. Mr. President——

Mr. JACKSON. Mr. President——

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I ask unanimous consent that a member of my staff, Mr. Leonard Bickwit, be allowed the privilege of the floor during the consideration of this bill.

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

SURFACE MINING CONTROL AND RECLAMATION ACT OF 1975

Mr. JACKSON. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 25.

The PRESIDING OFFICER (Mr. STONE) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to 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, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. JACKSON. I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. STONE) appointed Mr. JACKSON, Mr. METCALF, Mr. JOHNSTON, Mr. HASKELL, Mr. FANNIN, and Mr. HANSEN, conferees on the part of the Senate.

STANDBY ENERGY AUTHORITIES ACT

The Senate continued with the consideration of the bill (S. 622) to provide standby authority to assure that the essential energy needs of the United States are met, to reduce reliance on oil imported from insecure sources at high prices, and to implement U.S. obligations under international agreements to deal with shortage conditions.

AMENDMENT NO. 314

The PRESIDING OFFICER. Who yields time?

Mr. JACKSON. Mr. President, how much time do I have?

The PRESIDING OFFICER. Four minutes remain.

Mr. JACKSON. I yield 3½ minutes to the Senator from Alaska.

Mr. BENTSEN. Will the Senator yield for a unanimous-consent request, and not have it charged to his time?

The PRESIDING OFFICER. Does the Senator from Alaska yield?

Mr. GRAVEL. I yield, if I do not have the time charged to me.

Mr. BENTSEN. Mr. President, I ask unanimous consent that my staff member, Mr. Larry Meyers, and the staff member of Senator JOHNSTON, Mr. Paul Haygood, be allowed the privilege of the floor.

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

Mr. GRAVEL. Mr. President, I would like to ask my colleagues, as many as possible, to remain. We will be voting again in 10 minutes.

Mr. JACKSON. Will the Senator yield to get the yeas and nays?

Mr. GRAVEL. The yeas and nays have been ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. GRAVEL. I would like to make that request of my Democratic colleagues to remain in the Chamber, because this legislation will do more than anything else to unseat the Democrats and change the majority from this side of the aisle to that side of the aisle. I would hope that my Republican colleagues would not be so partisan as to be persuaded by that argument, but that is what is going to happen. I hope they will vote for my amendment, which is very simple.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. GRAVEL. Mr. President, I ask unanimous consent that any search for order by the Chair not be charged to my time.

The PRESIDING OFFICER. The Chair observes that this search for order will not be charged to the time of the Senator from Alaska.

The Senate will be in order. There should be sufficient quiet so that Senators can hear the Senator from Alaska.

Mr. GRAVEL. I hope it is not too much to ask, to witness the destruction of the Nation, and it could be done briefly, in 10 minutes.

Let me bring to the attention of the Senate what is really in the proposed legislation. I do not think many Senators are aware of it. I know that many times I vote on matters and I do not know what they contain.

Section 203 of this bill says that "These Federal initiatives shall include"—and this is what Congress is going to direct the FEA to do. They have several things, such as control of lighting, signs, and a group of other things. But there is one that Senators should really get a feel for, and that is item (H), which reads:

Standards for reasonable controls and restrictions on discretionary transportation activities upon which the basic economic vitality of the country does not depend;

Let me tell Senators what that means. That means that everybody in this country will have his automobile regulated. If Senators think that gun control is an emotional issue, they should hang onto their hats, because this means that John Q. Citizen has to report his daily mileage to somebody in Government. I had an extensive colloquy with the Senator from Ohio, representing the committee, on this subject. He referred me to page 52 of the report. So I read page 52. Let me read it:

Policies to discourage purely discretionary driving involving reduced hours of operation for service stations—

That means that if you live in Vermont and you depend upon a ski resort, a gas station being open on Sunday is pretty important. Now we are going to have a bureaucrat tell us what to do in that regard.

We move from that to purchase limitations on odd-even days. We have a 38-day supply of oil in this Nation right now. Our refineries are operating at less than 85 percent capacity. We are now going to make the American people line up at the gas stations on odd and even days to buy oil. I cannot understand this, and I submit that when the American people see what has been done to them, they will not understand it, either. They are going to get back at Congress.

When we passed the allocations bill in 1974, we did it to industry. What we did was to say to industry, "You aren't smart enough to let the marketplace make decisions. We're going to hire bureaucrats to make the decisions. We're going to pay somebody, and he's going to tell you what to do."

If I had the time, I would tell Senators the horror stories this has caused.

It was done to industry, but now it is going to be dangerous, because it is going to be done to citizens. And they will find out what has been done to industry. The Senate is going to do that to the citizens with this legislation.

Some Senators may think that they are doing something for the energy crisis in this bill. We developed this at great length yesterday afternoon. There is not one word in this bill that adds one fraction of a barrel of oil or one fraction of a million cubic feet of gas to the marketplace of the United States of America.

We talked a great deal about OPEC. We cannot pass laws in this country about OPEC. We only pass laws doing it to ourselves, and that is what we are doing here. I try to understand why we do these things to ourselves, and it is because of misconceptions.

We have this chart here. The charge is that the oil companies are ripping us off, are making excess profits. In opposition to the Senator from Washington, I put forth two major studies by the Finance Committee. I put forth the Chase Manhattan study. This chart is from the First National City Bank, which says the oil industry made 12.3 percent profit, as opposed to average national manufacturing at 12.6 percent. I put out the entire Forbes article dealing with profits for 850 American companies. How do you get the facts to people? Just look at where the oil industry is placed in that. More than half of the oil companies are below the 425 line.

We talk about profits. Look at Skyline—look at those profits. Four-year average profit of 37.4 percent. What is that? That is a mobile home company.

We Democrats are worried about the poor people, so we do not want to let the price of gasoline go up for the poor people. Who buys mobile homes—the rich people? The poor people do. And the companies that have been selling to the poor people have been ripping them off to the point of 37.4 percent. In my amendment is an excess profits tax that guarantees that you cannot rip it off, that you have to reinvest it in energy.

Are these facts absorbed? All I ask is for somebody to come forward with facts and proof. Destroy my argument if you can, but these facts are there. It is upon an erroneous perception that we are developing policy critical to this Nation. That is very serious.

We do not regulate any other company on this list. It is free in the marketplace—except oil. We compress the price. We limit the price with our bleeding hearts, saying that we want to help the consumer. What we do, in fact, is to cut out the amount of product to the consumer.

Why should a person invest in developing production in oil when the price is regulated, when he can go into mobile homes, when he can go into Xerox?

Look at CBS. CBS is ahead of oil companies in profit. This is not 1 year. This is a 5-year average, including the last year.

What does it mean to deregulate? All that happens is that the present allocations will expire on the 31st of August. In addition, at that time an excess profit tax I have included will be instituted. I have discussed that before the Senate. What will that mean to the economy, to the consumer? How terrible will it be? In the FEA records and the paper that Senator JACKSON signed, together with other Senators, on H.R. 2166, one estimate was that it would cost 5 cents a gallon of gasoline. What does that free market mean to the consumer, who now will be able to get more gasoline and oil and not have to buy it from the Arabs? It will mean 75 cents a week, $3.20 a month, $38 a year. What is it going to cost to establish the bureaucracy to regulate the use of the automobile in this country? I think we would be lucky if we got away with $10 billion. That is the whole cost of deregulation. So all I plead for is that Senators treat the oil industry, the energy industry, the way they treat every other industry. Forget about the oil companies. We are talking about an industry that is critical to the survival of this Nation.

I have charts as to what has happened since 1954, when we regulated energy through gas.

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

The PRESIDING OFFICER (Mr. MORGAN). The Senator has 4 minutes remaining.

Mr. GRAVEL. What will happen is what has happened before with gas. This is a chart which shows total exploration development and wells drilled. This is by the American Association of Petroleum Geologists and API. Senators can see what has happened.

This is when we first started. The court case came out as to the deregulation of natural gas. Nobody understood what happened at that time. It took time for the industry to grasp it, and when they did grasp it, see what happened—from 1954 to 1974. How many more times do we have to realize that we are destroying ourselves?

This is the price in constant dollars. This is from the U.S. Bureau of Mines. Look at what has happened to that line.

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

Mr. GRAVEL. I am happy to yield.

Mr. LONG. I say to the Senator that the estimates are that we should be spending about $30 billion a year in this country in developing new sources of energy, as the Senator has suggested. Instead of that, we are spending about $8 billion.

It makes a lot better sense that the price of the product should pay for that additional $24 billion of energy development than it does that we would raise that money by a $24-billion tax on the American people. Those are the options, Senator, when we really get down to it.

We have another option, and I am sure that this bill suggests that: do without. But the American people do not want to do without. We have enough energy, leaving fossil fuels alone, to last us for 1,000 years in this country.

Mr. GRAVEL. In the Committee on Finance study on profitability, and it was confirmed on the tax returns of the oil companies, it was shown that with a profitability of 10.3 percent, we raised $112 billion. With a profitability of 15.4 percent, which has never been reached—not even in 1974, the banner year—we raised $168 billion. This shows right here, from FEA, from other organizations, the amount of money we need to become self-sufficient. The minimum is $200 billion. Even if the oil companies have a 15-percent profit, they can only get $168 billion; so we must stop and put our heads on right and say, how do we get money into the hands of industry to do the job? There are only two ways to do it: Through the price mechanism, and that is pay as you go. It is not inflationary. That is the best way to do it.

If the industry fails, then the Government has to do it and do the Senators know who is going to pay? The taxpayer. The Senators know who the taxpayer is; he is the consumer. It is the same guy.

Why not let industry do it? We at least have a check and balance. When we let the Government do it, there is no check and balance. We are supposed to be the check.

How many of us are familiar with the FEA report that was turned in to us this year? They have to report to us every year. How many have read it? A Senator told me it was 10 inches thick. How many of us are aware of what the FEA is doing?

How many of us know what this equation on this chart means? Is that not interesting? Is there a Senator on the floor who can tell me what that equation is? That is the propane pricing formula that the private sector, small and large, must undergo. One would need a Ph. D. physicist to figure it out.

The FEA put out 2,000 pages of regulations explaining the regulations of January 22, 1974—2,000 pages. It stands this high.

Gentlemen, I just beg of you, what I am saying is, why not treat the energy industry like any other industry? We had a colloquy here about chickens yesterday. The situation on chickens is very simple. Senators remember when they were drowning chickens. Do the Senators know why the were drowning them? Do the Senators know why they were killing the calves? Because it cost more to feed the chickens and it cost more to feed the cows than they could sell them for. So they killed them. They were not going to take a loss.

The industry here is different. What they will do is—there is nothing to kill—they will walk away from it. That is what will happen.

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

The Senator from Washington has 3 minutes.

Mr. JACKSON. Mr. President, to state it simply, this is precisely the amendment that we just voted down 69 to 21, except the decontrol occurs on August 31 instead of immediately. What we are talking about, so every Senator understands, is a proposal that we raise the price of old oil from $5.25 a barrel to $14.40, effective August 31. Coal and natural gas will all go up with it. We are talking of gasoline, heating oil, propane and all the others going up by billions and billions of dollars annually.

I submit that in this period of inflation and recession, I cannot think of anything that will do more damage to the economy than to terminate the Allocations Act. It would leave the little independent dealer, whether he is a refiner or a gas station operator and the consumer at the mercy of OPEC and the major oil companies.

The PRESIDING OFFICER. All time has expired.

The question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Hawaii (Mr. INOUYE) and the Senator from Washington (Mr. MAGNUSON) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. MCGOVERN) is absent on official business.

I also announce that the Senator from Montana (Mr. METCALF) is absent because of death in the family.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Hawaii (Mr. FONG), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

I also announce that the Senator from New Jersey (Mr. CASE) is absent on official business.

I further announce that, if present and voting, the Senator from New Jersey (Mr. CASE) and the Senator from Ohio (Mr. TAFT) would vote "nay."

The result was announced—yeas 23, nays 68, as follows:

[Rollcall Vote No. 122 Leg.]

YEAS—23

Bartlett	Garn	McClure
Bellmon	Goldwater	Montoya
Brock	Gravel	Packwood
Buckley	Hansen	Scott, William L.
Curtis	Helms	Stevens
Dole	Hruska	Thurmond
Domenici	Laxalt	Tower
Fannin	Long	

NAYS—68

Abourezk	Hart, Gary W.	Nelson
Allen	Hart, Philip A.	Nunn
Bayh	Hartke	Pastore
Beall	Haskell	Pearson
Bentsen	Hatfield	Pell
Biden	Hathaway	Percy
Brooke	Hollings	Proxmire
Bumpers	Huddleston	Randolph
Burdick	Humphrey	Ribicoff
Byrd, Harry F., Jr.	Jackson	Roth
Byrd, Robert C.	Javits	Schweiker
Cannon	Johnston	Scott, Hugh
Chiles	Kennedy	Sparkman
Church	Leahy	Stafford
Clark	Mansfield	Stennis
Cranston	Mathias	Stevenson
Culver	McClellan	Stone
Eagleton	McGee	Symington
Eastland	McIntyre	Talmadge
Ford	Mondale	Tunney
Glenn	Morgan	Weicker
Griffin	Moss	Williams
	Muskie	Young

NOT VOTING—8

Baker	Inouye	Metcalf
Case	Magnuson	Taft
Fong	McGovern	

So Mr. GRAVEL's amendment (No. 314) was rejected.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HUMPHREY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JACKSON. Mr. President, on my own time, I wish to make a short statement.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. JACKSON. Mr. President, I yield for colloquy to the distinguished Senator from Minnesota.

Mr. HUMPHREY. Mr. President, first I commend the able and distinguished Senator from Washington for his leadership on the legislation that is now before us. It is a very fine piece of legislation.

My purpose in rising now to engage the Senator from Washington in this discussion is to call to his attention once again the legislation that both he and I are sponsoring for an energy conservation program. The legislation that is before us at this time would permit the FEA to establish certain conservation proposals. The bill that we introduced on March 11 would, I think, address the conservation issue much more precisely.

I introduced on Tuesday, March 11, a comprehensive energy conservation package designed to save 460,000 barrels of oil in 1975, and over 10 million barrels by 1985.

The package, entitled the National Energy Conservation Act of 1975, relies on a variety of both mandatory energy efficiency standards and incentives for voluntary energy conservation. These standards and incentives are extensive and, except for the vehicle fuel economy and truth, in energy provisions, they are presented in detail not provided in any other legislation or proposal.

The energy savings estimated to accrue from the package are largely due to technological innovation and voluntary actions, not higher fuel prices.

The package contains the following provisions, which are described in detail, along with estimated energy savings, on pages 6028–29 of the CONGRESSIONAL RECORD for March 11:

Temporary tax credits for insulation of commercial, industrial and residential structures.

Temporary tax credits for installation of residential solar energy devices or for replacement of oil or gas-fired boilers with coal-fired boilers.

Temporary low and moderate income family grants for home insulation purposes.

Truth-in-energy testing, labelling, and advertising provisions for appliances, autos and space conditioning systems.

Research on energy efficient autos, appliances, solar devices, space conditioning systems, solid waste recycling systems and electricity generation by utili-

ties to facilitate compliance with mandatory standards provided in the standby authority bill for energy use.

Voluntary compliance with a 55 miles-per-hour speed limit is encouraged through State and Federal programs.

Temporary cash rebates on economic cars and temporary surcharges on inefficient cars are provided.

These provisions will not generate unemployment or adverse price effects. The tax credits for insulation, coal conversion and residential solar energy devices expire by 1979. Ceilings on the use of these credits will hold the annual revenue loss below $2.6 billion. An additional $250 million is authorized annually through fiscal 1979 for home insulation grants. And $230 million is provided annually for energy conservation research and $40 million for mass transit demonstration projects. An additional $60 million is authorized for fiscal 1976 to fund speed limit compliance programs by State Governors and the Secretary of Transportation. A total of $3.1 billion annually for 4 years.

Based on data from the Federal Energy Administration, Joint Economic Committee, and the General Accounting Office, the provisions of this package will yield energy savings in 1985 double that of the President's program.

My only point in rising is to ask the Senator from Washington if it is his intention, at an appropriate time in the calendar of the Committee on Interior and Insular Affairs, to undertake hearings on the broad bill which he is kind enough to join with me in cosponsoring.

Mr. JACKSON. Mr. President, first I want to compliment the distinguished Senator from Minnesota for having introduced what is indeed a comprehensive conservation measure as it pertains to the use of energy. I think he has done an excellent job in putting together in one package the kind of broad-scale effort that must be made if we are going to have true conservation in this area.

I would say to the Senator that we will try to schedule hearings on his bill the latter part of May or thereabouts.

Mr. HUMPHREY. That would be very satisfactory.

Mr. JACKSON. We will move at the earliest possible moment. We are scheduled up now, as the Senator may know, with other hearings; but we will move expeditiously, and I again compliment the Senator.

Mr. HUMPHREY. I thank the Senator from Washington. The bill we introduced, of course, was because of concern over the administration's conservation package, based on higher prices and excise taxes, which was, of course, inadequate. I believe the energy used by automobiles, appliances, and industrial equipment is the key to conservation. Also, there is a great deal of technological change involved in conservation, including the harnessing of the sun, which is one of the permanent ways to achieve conservation.

Therefore, Mr. President, with the assurances that we have here from the chairman today, I have no intention of offering any portion of my bill or of our bill, I should say, as amendments to this standby authority legislation which is now currently under debate. I have outlined the major features of my proposal, and will submit it now for the record so that we can once again have a review of what is being proposed in the legislation that was introduced by myself and the Senator from Washington on Tuesday, March 11, and the fuller description of the legislation is to be found in the CONGRESSIONAL RECORD in great detail.

I also present a table which describes the administration's energy proposals and the proposals that are sponsored by the Senator from Washington and myself.

Mr. President, I also ask that a statement that I have prepared, entitled "Misleading Oil Industry Data on Proven Oil Reserves" be printed in the RECORD, and I ask unanimous consent that the editorial from the Journal of Commerce of April 2 be printed in the RECORD.

I merely point out that there is a great deal of misinformation coming out of the American Petroleum Institute, regrettably, on what are called proven reserves of crude oil. That figure of speech "proven reserves" relates to what we call bank collateral and does not relate at all to what are the real available supplies or potentially available supplies of oil reserves.

I thank the Senator from Washington.

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

TABLE I.—ENERGY CONSERVATION SUMMARY, SENATOR HUMPHREY'S NATIONAL ENERGY CONSERVATION ACT AND THE ADMINISTRATION'S ENERGY INDEPENDENCE ACT

[Million barrels of oil per day equivalent]

Economic sector	Energy savings			
	1975	1977	1980	1985
Industrial-utility:				
Humphrey	0.17	1.61	3.04	5.56
Administration	.16	.92	1.24	1.66
Residential-commercial:				
Humphrey	.16	1.52	2.37	2.94
Administration	.30	1.32	2.01	2.47
Transportation:				
Humphrey	.13	.47	1.06	2.00
Administration	.27	.74	1.28	1.80
Total savings:				
Humphrey	.46	3.60	6.47	10.50
Administration	.73	2.98	4.53	5.93

MISLEADING OIL INDUSTRY DATA ON PROVEN OIL RESERVES

The American Petroleum Institute, on April 1, released its annual count of so-called "proved reserves" of crude oil. Once again this statistic declined slightly. "Proved oil reserves" fell by 3 percent from 35.3 billion barrels at the end of 1973 to 34.3 billion in December 1974. Natural gas reserves, reported simultaneously by the American Gas Association, fell by 5 percent.

So the daily papers informed the public that the United States is even closer to the end of its domestic oil and natural gas reserves. In view of the past year's huge energy price increases, however, this is certainly not the case. Even a normally well-informed trade publication like the Journal of Commerce interpreted the new reserve figures to mean a decline in "the amount of oil recoverable under current economic and technological conditions."

However, "proved reserves" include only that small portion of the total known and potentially discoverable oil and gas resources that the industry has decided to "prove." That is, the portion on which oil companies have decided to complete detailed engineering studies.

Even more absurd, with "proved reserves" equal to about 11 years' output at current rates, some alarmists have argued from these figures that the United States will run out of domestic oil and gas in that length of time. Such statements are utter nonsense, and it is time for the API and the AGA to tell people so and eliminate the current confusion.

As we can see from these examples, the "proved reserve" figures, as now defined, are very misleading and invite erroneous conclusions. They are used regularly to scare the public into expecting energy scarcity and accepting continued high prices as inevitable. In fact, "prove reserves" are a very conservative estimate of only that oil and gas which thorough engineering studies have "proved" can be extracted. And, by "proved," I mean they must be sufficiently documented to serve as collateral at the bank.

But the American public is not really interested in how much collateral the oil industry has at the bank, or in policies governing the amount of "proved reserves" the industry wishes to hold. Instead, the public needs a realistic assessment of the nation's future oil supplies and production rates.

HOW MUCH OIL AND GAS DO WE REALLY HAVE?

At a recent hearing of the Joint Economic Committee, authoritative witnesses indicated that estimates of total recoverable oil and gas under the United States and its continental shelf range from five to ten times the API's and AGA's estimates of "proved reserves." In fact, these estimates are very conservative since they were based on conditions in 1973, when prices were only one-third of today's levels for new oil and gas supplies.

First, witnesses referred to a rule of thumb in the oil industry that actual extraction of oil ultimately averages about 50 percent more than initial estimates of "proved reserves." This shows how conservative the reserve figures are—an expected bankers' bias.

In addition to "proved reserves," other known deposits were estimated to contain nearly 30 billion barrels of recoverable oil. Moreover, an expert panel of the National Academy of Sciences, whose chairman testified before the Committee, estimated the amount of undiscovered but potentially recoverable oil resources in still unexplored areas of American sedimentary basins at 113 billion barrels. This estimate includes expected finds on the continental shelf and in Alaska. The National Petroleum Council—an industry group—estimated this quantity in 1973 at 127 billion barrels. Building on this NPC work, the Project Independence Oil Task Force set total potentiality producible resources at 190 billion barrels. This is a middle-of-the-road estimate. The U.S. Geological Survey estimated the undiscovered but potentially recoverable resources alone at 200 to 400 billion barrels under 1973 conditions. The range of figures for natural gas is comparable.

As noted above, these estimates are based on energy prices prevailing in 1973. The tripling of new oil and gas prices since they were made has brought many deposits not previously economic into the realm of profitable exploitation and has stimulated a new boom in technology development. One important factor emphasized by all experts, for instance, is that technical development may soon make possible the extraction of up to 100 billion more barrels of oil from already existing oil wells.

Whether the API and AGA "proved reserve" data show it or not, the energy price revolution means greater recoverable reserves.

Among other witnesses, Assistant Interior Secretary, Jack Carlson, emphasized this point before the Committee.

API AND AGA SHOULD ISSUE MORE COMPLETE DATA

I wish today to warn the Congress and the public against regarding the so-called "proved reserve" figures as an indicator of potential U.S. oil and gas production. In fact, I believe that it is time for the API and the AGA either to replace these figures altogether or at least to supplement them with estimates of total recoverable oil and gas from all domestic sources, a much more significant figure for the public. These estimates should take account of changes in prices, technology development and other important influences on the industry. Because of the acknowledged uncertainty of such estimates, a range of possibilities should be indicated. Use of good statistical methods of measurement can indicate the most likely range within which the truth should lie. This approach would inform the public more accurately of the extent of ultimately producible oil and gas in the United States. And, after all, this is what we need to know.

[From the Journal of Commerce, Apr. 2, 1975]

"PROVED RESERVES" OF OIL, GAS DROP

(By Dan Skartvedt)

WASHINGTON.—The nation's so-called "proved reserves" of crude oil and natural gas both declined again this past year, despite significantly increased prices, the American Petroleum Institute (API) and the American Gas Association (AGA) announced Tuesday.

API reported that the country's total proved recoverable crude oil reserves stood at approximately 34.25 billion barrels as of Dec. 31, 1974, compared to around 35.3 billion barrels at the end of 1973.

Proved reserves are defined as the amount recoverable under current economic and technological conditions, and the latest decline was sure to come as a surprise to many observers in view of the large jump in oil prices which has occurred in the past year and a half.

The 1973 statistics, unveiled by API a year ago, were calculated on the basis of a $3.40-per-barrel price, and the newly-released 1974 statistics were based on a price of around $7 a barrel, double the previous figure.

Despite that, proved reserves of crude oil fell by more than a billion barrels, according to API, and officials of the organization said Tuesday this decline can be explained by the considerable time lag factor, since many months, or even years, can go by before higher prices are reflected in increased output.

In a press release, API President Frank Ikard (who was not present at the news conference) was quoted as commenting that the domestic petroleum industry "moved decisively to find more oil in the United States during 1974, but it will take more than one year of stepped-up activity to reverse the long downhill slide in proved reserves."

OIL DISCOVERIES

Mr. Ikard noted, in the release, that sharply increased drilling resulted in the discovery of nearly twice as much oil in new fields in 1974 than in the prior year, with a resultant addition of nearly two billion barrels to previously discovered reserves.

However, he added, oil reserves operate "very much like a checking account," and Americans withdrew roughly three billion barrels from that account during 1974, with the result of a decline of more than a billion barrels from that account during 1974, with that compared to 1973.

He also mentioned, looking ahead, that congressional repeal of the depletion allowance for major oil companies "will discourage exploration and drilling" and aggravate the industry's capital formation difficulties.

API also released new estimates of total crude oil productive capacity Tuesday, and this index also showed a decline. The total was calculated to be 8.9 million barrels per day, a decrease of 800,000 barrels per day from 1973, and the seventh yearly decline in a row since the organization began to make such estimates in 1967.

Actual production also declined in 1974, despite increased drilling activity, and industry spokesmen are quick to point out that it can take years before a field is brought "on line" and starts pumping oil, from the time it is first discovered.

The daily production rate in December, 1974, was about 8.2 million barrels, some 700,000 barrels below the estimated capacity.

The decline in natural gas reserves, also announced Tuesday, amounted to a 5 per cent drop compared to 1973, and was the sixth decline in the last seven years.

As of Dec. 31, 1974, proved reserves were estimated at 237.1 trillion cubic feet. AGA reported, compared with 250 trillion on the same date in 1973.

Proved reserves of natural gas, including those in Alaska's Prudhoe Bay, are now at their lowest level since 1956, according to AGA. Taking the "lower 48" states alone, there was a 5 per cent drop in 1974, and the lowest reserves figure since 1952, when natural gas consumption was only 40 per cent of what it is today, AGA said.

U.S. production of natural gas dropped nearly 6 per cent during the past year, a situation AGA President F. Donald Hart claims "can only be halted through a reversal in current policies which have held interstate gas prices at artificially low levels and limited leasing of offshore frontier areas."

The industry has long favored deregulation of new natural gas prices. In the past year, several decisions by the Federal Power Commission have resulted in sizable price hikes for much of the gas sold in interstate markets, but the new statistics do not indicate that this has had any discernible impact toward raising production.

SKEPTICISM VOICED

At least one participant in a panel at the press conference Tuesday, economist Bruce C. Netschert of National Economic Research Associates, Inc., voiced skepticism concerning the figures released by API and AGA.

He termed it "inexplicable" that the proved reserves statistics "do not appear to properly reflect the improved economic conditions."

Other members of the panel replied that it takes time for higher prices to be felt in the marketplace, but this explanation appeared to satisfy neither him nor the reporters present.

Last year, a similar press conference degenerated into a shambles when reporters repeatedly questioned the use of $3.40 per barrel as a base price for calculating oil reserves.

This year, the $7 a barrel figure seemed to be generally acceptable as more realistic, figuring the combination of price-controlled "old oil" and free market "new oil" together.

Mr. JACKSON. Mr. President, on my time I yield 5 minutes to the distinguished senior Senator from New York (Mr. JAVITS).

Mr. JAVITS. Mr. President, I have not been actively engaged in every phase of the debate on this measure, but I have analyzed the measure in some detail in terms of its effect.

I have just returned from a visit to the Middle East area, having visited specifically Iran, one of the principal suppliers of oil internationally.

It is based on this total experience, Mr. President, that I address myself to title II of this bill—the conservation title—and express my dissatisfaction with it.

I will vote for this bill as that is the only recourse open to us at this point, and I am never one to believe that some part of what we want is not better than nothing at all, but it is a mighty small part, I must say, Mr. President.

It is inconceivable to me that Congress—I am not talking now about general public opinion but Congress—should not show the sophistication which is required in the existing circumstances but should rather be approaching this matter on an interim basis more worthy of the relatively superficial feeling of the motorist who sees all the gas stations open, oil to be bought, storage capacity filled, and generally feels, "Well, what are they all talking about in respect to this oil situation?"

I consider title II of this measure to be really a basic failure to recognize the emergency in which we are placed, and our job as legislators is to look down the road and not to be controlled by the superficial appearances.

One of my primary objections is that the conservation aspects of this measure last for only 1 year, hardly in historical terms more then the blink of an eye. It should be at least 5 years because it is very clear, although I personally think the timetable ought to be materially accelerated, that Project Independence still has a 10-year duration.

Certainly, with conservation being as critical an element of the total energy program, particularly for the first few years, of what we must do to save ourselves, we should not be content with passing the key element of this bill, which is the conservation aspect of it, for only 1 year, hardly enough to turn around or literally no time in which to do anything about it. Five years would be, in my judgment, the absolute minimum.

Second, even during the 1-year period we make it impossible to really effect any true conservation measures because, one, we look to the States with considerable time lags for State plans, and no serious incentives for prompt and effective action; again, it is highly unlikely to result in any truly effective measure to grab hold within the period of time which we have allotted in this bill.

Finally, Mr. President, the sophistication shows itself in the following: The foreign exchange burden which this sudden impact of a fourfold to fivefold increase in the price of oil represents is a tremendous drag on the American as well as upon the world economy. Indeed, if we do not find some way effectively to cope with it through a recycling of this vast pool of capital which has resulted, it could easily bankrupt us and the whole world. We simply cannot stand this hemorrhage, in our case of dollars, which has resulted.

Now, Mr. President, while we develop North Slope oil, gassify coal, work for

nuclear fusion, solar energy, and other clean alternative sources, time is running against us, and we are paying through the nose in terms of a depressed economy and a foreign exchange drain which is absolutely intolerable.

The only way we have to assert for ourselves some effort at the coping with the situation is through effective and significant conservation.

We will not freeze to death and our industry will not stop. But, for practical purposes, that of the major industrial nations of the world, including Japan, our major trading partners, will, and that has been demonstrated to be tantamount to the threshold of a serious world depression, and that is where the rub is.

If we are more active in our conservation measures, we can reduce our dollar outflow and do some sharing with other industrialized nations, a sharing which we have undertaken to do in an emergency under the International Energy Agency Agreement. But if we are not abreast of our conservation problem, we will be very seriously hurt, and we allow this threat to hang over us.

It is amazing to me, Mr. President, that we maintain an army, navy, and air force which add somewhere between $80 and $90 billion a year to the national expenditure but that we cannot summon our courage and our patriotism and our resources for a conservation program which will cost us nothing except a little bit of discipline and a little bit of inconvenience.

But we, too, like so many in the general public, are willing to swallow the simplistic explanation that because there is a lot of oil around, we are awash in it, there is no danger. Nothing could be further from the fact, Mr. President. It is very dangerous to our country, and I rise to protest it, and will do my utmost, in company with other colleagues who feel as I do, like Senator HUMPHREY and, I am sure, Senator JACKSON himself, to improve upon the very weak provisions of this bill regarding the seriousness of our conservation efforts.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

The bill is open to further amendment.

The Senator from Wyoming is recognized.

AMENDMENT NO. 111

Mr. HANSEN. Mr. President, I call up my amendment No. 111 and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will state the amendment.

The legislative clerk read as follows:

The Senator from Wyoming (Mr. HANSEN) proposes an amendment numbered 111.

The amendment is as follows:

On page 101, delete lines 6 through 10 and insert: "night, June 30, 1977, except that such authority may be exercised until midnight November 18, 1978, if required to implement the obligations of the United States under the international agreement. Expiration shall not affect any action or pending proceedings, civil or criminal, not finally determined on the date of expiration, nor any action or proceeding based upon any act committed prior to midnight of the date of expiration.".

Mr. HANSEN. Mr. President, this amendment proposes that the expiration of authority insofar as the United States is concerned may be extended from the present cutoff date of June 30, 1977, until midnight November 18, 1978, if required to implement the obligations of the United States under the international agreement, civil and criminal proceedings will not in any way be affected.

I would like to ask the floor manager of the bill if he would be able to accept this amendment.

Mr. GLENN. Yes, we will.

Subsequent to this measure being introduced by the distinguished Senator from Wyoming, the State Department has talked to committee representatives concerning this matter.

Mr. HANSEN. I thank the distinguished floor manager of the bill.

Mr. President, yesterday during the debate on one of Senator BARTLETT'S amendments, the distinguished senior Senator from Virginia, Mr. BYRD, made some inquiries of the most able chairman of the Senate Interior Committee, Mr. JACKSON, as to the need and rationale for certain provisions of the act we are now considering.

In justifying the need for a National Energy Production Board which is not part of this bill, my good friend and colleague from Washington, Mr. JACKSON, said, and I quote from the record of his remarks:

For example, let me just point out that there are only, well maybe at the most, 15 companies that can go out on the Outer Continental Shelf and into Alaska. We do not have a single independent oil company drilling in Alaska and the Outer Continental Shelf.

Mr. President, I ask unanimous consent that my amendment may be considered immediately, or that it be accepted, unless there is objection.

The PRESIDING OFFICER. Is all time yielded back?

Mr. HANSEN. No.

Mr. GLENN. I yield back my time.

Mr. HANSEN. Mr. President, if I may, let me withhold that request until I have finished the statement I am now in the process of making.

The PRESIDING OFFICER. The Senator will proceed.

Mr. HANSEN. Mr. President, that is what the able floor manager of this proposed act said in reply to the Senator from Virginia (Mr. BYRD). Both are concerned, as I am, with the development of our own abundant energy resources as fast as possible to lessen our dependence on unreliable foreign sources.

Mr. President, I had left the Chamber briefly during that part of the colloquy and was surprised when I was informed of the distinguished floor manager's statement that no independents were involved in Alaskan or Outer Continental Shelf exploration and drilling.

I knew of several including Husky Oil Co. of Wyoming, a small and independent company that had been successful in a lease sale last fall in obtaining a tract in the Gulf of Mexico off of Louisiana. They advised me yesterday that they planned to start drilling this spring or summer.

My curiosity was aroused and I inquired of the U.S. Geological Survey as to how many companies are at present operating on the Outer Continental Shelf in the Gulf of Mexico.

Rather than the "at most 15 companies," my good friend the Senator from Washington (Mr. JACKSON) had referred to, I was advised that there were now 57 participants in active operations—exploring, drilling, or producing on leases they now owned in the Gulf of Mexico.

The eight major companies were included in that total of 57 companies but let me read the rest of the list of active participants including Husky Oil Co. of Wyoming whose net earnings in 1974 were $33,700,000 compared with Texaco's $1,586,441,000.

LIST OF OIL COMPANIES

Amerada-Hess, American Petrofina, Ashland Oil, Inc., ARCO, Basin Exploration Corporation, Belco Petroleum Corporation, Cabot Corporation.

Burmah Oil and Gas Company, C & K Petroleum Inc., Chevron, Cities Service Oil Co., Clark Oil and Refining Corp., Coastal States Gas Production Co., Columbia Gas & Development Corp., CNG Production Co., Continental Oil Company, Diamond Shamrock Corp.

Dixilyn Corporation, Belmont Oil Corporation, Forest Oil Corporation, Freeport Minerals Company, General American Oil Company of Texas, Getty Oil Company, Gulf Oil Corporation, Hamilton Brothers Oil Company, Husky Oil Company, Exxon.

Hunt Oil Company, Ker-McGee, Louisiana Land & Exploration Inc., Marathon Oil Company, Mesa Petroleum Company, Mitchell Offshore Corporation, Occidental Petroleum Company, Ocean Production Company, Odds-End Oil Corporation, Oil and Gas Futures, Inc.

Amoco Production Company, Pennzoil United, Inc., Phillips Petroleum Company, Placid Oil Company, Quintana Offshore, Inc., Shell Oil Company, Signal Oil and Gas Company, Skelly Oil Company, Mobil Oil Corporation, Southern Natural Gas Company, Sonat Exploration Company.

Sun Oil Company, Superior Oil Company, Tenneco Oil Company, Texaco, Inc., Texas Gulf Inc., Tipperary Land & Exploration Company, Trends Ocean Oil Inc., Union Oil Company of California, Ocean Oil and Gas Company.

Among that 57 are some smaller integrated companies and some gas companies but it is a considerably larger number, mostly independents, than my good friend, the chairman of the Interior Committee had reported to the Senator from Virginia (Mr. BYRD).

Another thing he failed to mention was the participation of independents and small companies in Alaska. Until the Alaska pipeline is completed, no independent or small company could risk, or raise the capital investment necessary to explore and drill on leases they now have.

The chairman might remember that only a couple of years ago he was asked by an independent, Tipperary Land and Exploration Corp., about the possibilities of extending the expiration dates on Alaska leases they held and could not

develop until an outlet for their oil was completed.

I note in a memo from the Director of the Bureau of Land Management about a proposed bill to extend that and other Alaska leases that the bill would have applied to, and I quote: "Something over a thousand leases."

So even in Alaska the independents have been unable to participate and they are only waiting for completion of the Alaska pipeline.

I would like to read a list of those companies as compiled for me by the Bureau of Land Management. They have 63 pages of current Alaskan leaseholders of record, with about 25 names to the page.

They quoted me just a few of these names on the 63 pages, with 25 being about the average number per page.

I cite these examples:

Fleet Oil Company.
Locke Jacobs, Jr.
McColloch Oil Corp.
Carl A. Robinson.
Hugh W. Ford.
Home Oil Co.
W. H. Hunt.
Joseph S. Rose.
W. C. McBride.
Robert J. Cacy.
John J. Sexton.
Grace E. LaRue.
Otto G. Green.
Colorado Oil and Gas Corp.
Neumont Oil Company.
Tom Bolack.
Cities Service Oil Co.
Eugene Duncan.
Roy C. Honland.
Donald D. Yarbo.
Charles W. Miller.
Clearly Petroleum Company.
Beaufort Oil Company.

Those are only some names I have picked at random from the 63 pages, each of which contains about 25 names per page of current Alaskan leaseholders of record.

I might add, Mr. President, that the Department of Interior has recognized the problem of the huge capital requirements necessary to bid on the outright bonus plan and last October held the first royalty sale of Gulf of Mexico acreage.

This was the one that Husky Oil Co. and several other independents were successful in obtaining tracts on which they are now preparing to drill.

I would like to quote from a Department of the Interior news release dated November 15, 1974, about that first offering on the basis of royalty bids.

The Department of the Interior announced today that it has accepted high royalty bids offered for eight tracts on the Outer Continental Shelf. The eight tracts were among 10 tracts offered in an oil and gas lease sale (OCS #36) held in New Orleans, Louisiana on October 16, 1974. Ten tracts had been offered in the sale, but only eight received bids. No royalty bids were rejected.

This was the first time OCS tracts had been offered for lease on the basis of royalty bids. Interior said that the ten tracts were offered as a means to test the principle of royalty bidding, and that the future of royalty bidding would depend on post sale analysis of the results of this sale.

In royalty bidding, the bidder states what percentage of the total gross value of the oil and gas as it comes out of the ground he is willing to return to the Government for the privilege of developing the lease. Each royalty bidder must pay a fixed cash bonus on each lease.

In bonus bidding, the conventional method, the winner pays in advance for exploration rights. Bonus winners also must pay a fixed production royalty of 16⅔ percent.

The royalty bidding experiment was aimed, among other things, at providing more incentive to smaller companies to bid on oil and gas leases by reducing their initial outlay.

The highest royalty bid offered in sale OCS #36 was for tract 25. Texas Gas Exploration, Inc. offered a 82.165 percent royalty for that lease plus a cash bonus of $125,000. The eight tracts on which royalty bids were submitted covered 40,754 acres off the coast of Louisiana.

In addition to accepting all high royalty bids, the Department also accepted 136 high cash bonus bids on tracts offered in the sale. Thirteen high cash bonus bids were rejected.

The Department had offered 287 tracts for conventional bonus bidding, but received bids on only 149. The total high bonus bids offered amounted to $1,443,137,589. Rejected bids totaled $15,895,135 leaving $1,427,242,454 to be accepted by the Government.

The Department offered a total of 1,421,545 acres and accepted bids on 675,586 acres.

There were at the end of December some 12,715 wells producing in the Gulf of Mexico and off Santa Barbara.

Daily average production was about 1 million barrels of oil and considerable gas that went into the interstate system. This was from BLM lands only and did not include State lands.

This means, of course, that smaller companies can, indeed, bid and compete with the majors because they are not required to put up all the front-end money required under the sealed bonus-bid process.

The Department of the Interior press release explains the procedure very well and I would hope that the distinguished floor manager of this bill would acquaint himself with this latest procedure and note also that the highest bidder was not a major oil company but Texas Gas Exploration, Inc., and another was Husky Oil Co. of Cody, Wyo.

I point this out, Mr. President, because I want the Senator from Virginia (Mr. BYRD) to know what the facts are. I hasten to add that my knowledge and deep respect for the Senator from Washington convinces me that he has been given inaccurate information.

I do not know what the National Energy Production Board has to do with this bill anyway but inasmuch as the Senator from Washington has brought it up, I would like to make a few comments about that proposal.

Going back to the Outer Continental Shelf where this so-called National Energy Production Board would have the right to explore, drill for and produce oil and gas to relieve the energy shortage. I would like to mention a few things the distinguished floor manager may have overlooked as he did some 49 small companies and independent operators who are already operating in the Outer Continental Shelf.

The distinguished chairman may not know that since the first offshore acreage was offered for sale in 1953 that the U.S. Treasury has collected some $10 billion in bonus bids and rentals on these tracts.

I ask the Senator from Washington where and how the Federal Government would benefit from foregoing these bids or royalty bids by companies like Husky Oil of Wyoming of up to 70 percent of the gross value of the oil they produce.

I also ask him how he would justify the risk loss on dry holes drilled by a Government corporation on acreage such as that off the coast of Florida where 10 dry holes have been drilled on leases for which the companies paid $850 million to the Government just for a hunting license.

The Government, of course, is not going to pay the Treasury for a lease and the charge-off for the millions of dollars in dry holes will be to you-guess-who—the taxpayer.

Because of the tremendous costs, offshore drilling, which is going into deeper and deeper water, has not been all that profitable.

Some companies, in fact, are beginning to wonder whether they will ever recover their costs or not. In the case of an integrated company, they have to have a supply of crude oil and are willing to take the risks involved for the oil.

But for the life of me, I cannot understand why the Federal Government should preempt the oil companies—majors and independents alike—the choice of bidding on that acreage at their own risk and at considerable profit to the Federal Government of $10 billion in the Gulf of Mexico on bonus bids alone, about $3 billion in royalties and more than $100 million in rentals.

According to the figures I have seen, the rate of return of this investment is between 4 and 6 percent so rather than helping the Federal deficit, all I can see is putting it further in the hole at the interest rate the Federal Government is paying to borrow money to pay its bills and interest on its deficit spending.

I hope the distinguished chairman of the Committee on Interior and Insular Affairs can further explain the benefits of his National Energy Production Board proposal.

Mr. President, I yield back the remainder of my time, and ask that my amendment No. 111 be accepted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

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

The PRESIDING OFFICER. On whose time?

Mr. GLENN. On my time.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 332

Mr. HASKELL. Mr. President, I call up my amendment No. 332.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Colorado (Mr. HASKELL) proposes an amendment numbered 332.

Mr. HASKELL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 108, after line 23, insert the following new sentence: The regulations promulgated under this section shall be designed with the objective of achieving a national energy conservation goal of a reduction in total domestic energy consumption on a twelve-month basis which is the energy equivalent of at least 4 per centum of the projected domestic consumption of refined petroleum products for the twelve-month period following the effective date of this Act.".

Mr. HASKELL. Mr. President, I believe that my amendment carries out the basic legislative intent of the act. The act provides that after a 3-month period, the Federal Energy Administrator, in consultation with certain other heads of departments, will promulgate regulations leading to the conservation of energy. My amendment adds a provision at the end of that section, which happens to be section 203 of the bill, which says that the national goal to be achieved by the FEA shall be energy saving in an amount not less than 4 percent of the projected domestic consumption of refined petroleum products for the 12-month period following the effective date of the act.

I have thought of offering an amendment that would speak in terms of an overall 5-percent energy saving. This merely requires an energy saving measured by a saving of 4 percent of projected consumption of refined products, which of course is less.

I should say that the saving contemplated by the goal set forth in my amendment is basically the minimum saving which the Federal Energy Administrator has estimated can take place. It falls far short of the optimum that he estimates and the optimum that I would hope would be included.

I should like to supply for the RECORD a page from the report on S. 622 which deals with the whole purpose of title II of the act to which we are referring and which sets forth the FEA's basic estimate of energy consumption. I ask unanimous consent to have this page printed in the RECORD.

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

TITLE II: ENERGY CONSERVATION POLICY

The purpose of title II of S. 622 is to insure the implementation of necessary energy conservation programs, consistent with economic recovery, even though conditions do not warrant the exercise of the standby authorities granted by title I. Title II therefore authorizes the President to establish an interim energy conservation plan, directs the Administrator of the Federal Energy Administration to establish national energy conservation standards, and provides for the development and implementation of approved State Energy Conservation Programs with Federal assistance.

If any State fails to submit a State Energy Conservation Program which is consistent with the Federal guidelines and standards for such programs, the Administrator is authorized and directed to develop and implement an energy conservation program for that State.

The programs provided for by title II will conserve energy without precipitating the further deterioration in the nation's economy which would result if the Administration's program of energy tariff, tax and pricing policies were adopted. The President's proposals, if enacted, would insure continued double digit inflation by adding 3% to the cost of all goods and services. At the same time, his proposals would accelerate the downward spiral of the economy toward depression by reducing consumer purchaser power $20 to $30 billion annually.

The State Energy Conservation Programs provided for in title II, tailored to local economic, geographic and climatological conditions, will assure that necessary energy conservation will proceed without jeopardizing the nation's priority goal; a full employment economy with price stability. The setting of realistic and attainable conservation goals which are consistent with economic recovery and the implementation of orderly programs to achieve these goals will help realize the enormous potential for energy conservation in the United States which exists. The Federal Energy Administration's Comprehensive Energy Plan, which was submitted in response to the congressional mandate of section 22 of the Federal Energy Administration Act of 1974, estimated that U.S. energy consumption could be reduced by the equivalent of over 800 thousand barrels of crude oil per day within a year if several of the conservation measures specified and authorized in title II were adopted on a voluntary basis. By mandating many of these measures through specific programs to mobilize the efforts of the American people, these estimated energy savings can be attained and even exceeded.

Mr. HASKELL. Mr. President, it is essential for Congress to go on record as advocating that a specific energy saving take place. We might be very disappointed and we might be criticized should the FEA subsequently come up with what might basically be eyewash regulations and not be what they say can be done easily. I am merely putting into the statute what they say can be done, what I believe is certainly a minimum and is less of a minimum than I might prefer. In addition, the entire thrust of the act is intended to get a certain saving, at least—and hopefully more—and I think this carries out the intent of the act.

Mr. President, I intend to ask for the yeas and nays on this amendment, because I think it is important that the Senate be on record on a specific matter such as this. I do not see sufficient Senators in the Chamber now to ask for the yeas and nays, but I want to announce my intent.

Mr. President, title II of S. 622 which we are considering today authorizes the President to establish an interim energy conservation plan; directs the Administrator of the Federal Energy Administration to establish certain national energy conservation programs and standards; and provides for individual States to develop energy conservation programs with Federal assistance.

As the committee report on S. 622 states:

The setting of realistic and attainable conservation goals which are consistent with economic recovery and the implementation of orderly programs to achieve these goals will help realize the enormous potential for energy conservation in the United States which exists.

The amendment I am proposing to title II of S. 622 would establish a reasonable and attainable overall national energy conservation target for the programs authorized under section 203, "Federal Initiatives in Energy Conservation."

I feel strongly that we ought to set a target—a goal—for the FEA and the other Federal agencies involved in the design of the regulations envisioned under this section.

This target will emphasize what I think every Member of the Senate believes:

That we ought to begin the job of systematic conservation of energy now;

That, based on the administration's own analysis of the potential for energy conservation, significant energy savings are possible; and

These savings can be achieved both in the short run and over the longer term as more efficient patterns of energy use become a part of our way of life.

Those energy conservation programs required under section 203 of title II, if done in accord with my amendment, will be designed with the objective of achieving an annual saving in total energy consumption which is at least the energy equivalent of 4 percent of the projected domestic consumption of refined petroleum products for the 12-month period after the effective date of this act.

This target—a 4-percent savings or approximately 800,000 barrels per day—is a reasonable target. As the committee report points out—

The Federal Energy Administration's Comprehensive Energy Plan, which was submitted in response to the congressional mandate of section 22 of the Federal Energy Administration Act of 1974, estimated that U.S. energy consumption could be reduced by the equivalent of over 800,000 barrels of crude oil per day within a year if several of the conservation measures specified and authorized in title II were adopted on a voluntary basis. By mandating many of these measures through specific programs to mobilize the efforts of the American people, these estimated energy savings can be attained and even exceeded.

The petroleum consumption which was projected in October 1974, for 1975 by the Independent Petroleum Association of America was 17.9 million barrels per day. My amendment would require a 4-percent saving or between 700,000 and 800,000 barrels per day—a target which is well within the administration's estimate of being attainable.

My amendment would make the intent of S. 622 clear. Our goal is an energy policy which is consistent with economic recovery. I believe it is clear that the provisions of this legislation can be implemented with this objective in mind while achieving real and significant energy savings as well.

I yield to the Senator from Ohio.

Mr. GLENN. I thank the Senator.

Mr. President, the committee did not express itself on this amendment. It was not brought before the committee.

I share the Senator from Colorado's good intent and the objectives of the proposed amendment. If implemented,

the 4 percent he is proposing would indeed come out to some 800,000 barrels a day, I believe.

Mr. HASKELL. That is correct. I point out to the distinguished Senator from Ohio that this is used as a measure. The saving might come, for example, in natural gas; it might come from nuclear; it might come from coal and petroleum. So that the use of petroelum products is just a measure of the total overall saving.

Mr. GLENN. This would, indeed, put a specific objective. A percentage goal would be attached to the other provisions of this section that are entered on page 108, to which the Senator from Colorado has referred.

The only question I would raise as to this would be the overall effect on the economy, at a time when we are trying to keep as much energy available as possible, and what this might mean so far as unemployment is concerned. I would not want to see that stand in the way of consideration of this matter. The Senator from Colorado had already stated his intent to ask for the yeas and nays on this amendment, and I think that would be the proper way to go with something of this magnitude.

Mr. HASKELL. I appreciate the Senator's comments.

If I may just briefly mention the employment situation, I hope the Senator from Ohio will agree with me that most conservation measures actually will increase employment opportunity.

For example, on page 108, one of the specific methods of saving is "low interest loans and loan guarantee programs to improve the thermal efficiency of individual residences," and so forth. It seems to me that most conservation measures actually are going to increase employment.

Mr. GLENN. The Senator from Colorado is absolutely correct. I agree in that regard, and I compliment him for his initiative on this bill in that regard, too. If we can save some of our comparatively frivolous use of energy in many fields and if we can mandate some of that into a real saving and translate it into 800,000 barrels a day, it helps us with industry and business and the other uses of energy. It might well work to the betterment of the economy instead of the detriment, as I indicated earlier. It is an area to be considered.

Mr. HASKELL. I appreciate the distinguished Senator's comments.

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

Mr. HASKELL. I yield.

Mr. FANNIN. Mr. President, I should like to ask a few questions of the distinguished Senator from Colorado. His State has been a leader in recycling, which we hope will continue. It is a great user of energy. In his State is a firm that has made itself famous with respect to the recycling of cans.

I am concerned, because if we are going to have the productivity we want in this country, we must think about the correct use of energy. I ask the Senator this question: When he discusses the objective is he sincere in wanting to accomplish what is stated in this legislation other than just stating the objective? It says we seek a national energy conservation goal. Of course, the objective changes the complete gist of his amendment. Does he mean that it be mandatory?

Mr. HASKELL. I say to the Senator, if I may restate the Senator's question to be sure I am responsive. As I understand the Senator's question, is does my amendment force the FEA to promulgate regulations that achieve this end. Is that the Senator's question?

Mr. FANNIN. That is correct; is it mandatory?

Mr. HASKELL. The answer to that is yes, it does, assuming that the data that they have presented to us after study is accurate, because their data says that they can, indeed, do this. Therefore, if they, in good faith, have developed that data, if it is correct, then I would say that they would have to arrive at this objective. If they find that their data is completely erroneous, then it is only an objective, which, of course, would not be legally enforceable.

That would be my answer to the Senator's question.

Mr. FANNIN. Well, that is very difficult to analyze as far as just what would be done. We are giving certain authority, as I understand your statement, to the FEA and expecting them to carry through with the objective. But it is more than just an objective. We are expecting them to carry through with the requirements in his amendment, which sets forth a conservation goal of a reduction in total domestic energy consumption on a 12-month basis which is the energy equivalent of at least 4 percent of the projected domestic consumption of refined petroleum products, et cetera. We are talking about a 12-month period.

It is confusing to me, to make it mandatory, though it is an administrative matter, as far as I can understand the explanation by the distinguished Senator to me.

Mr. HASKELL. Mr. President, if I may respond to the distinguished Senator from Arizona and try to be as clear as I possibly can, my amendment states that there is a certain objective. That objective is well supported by the FEA's own study. If the FEA should promulgate regulations which do not meet the statutory test if my amendment is adopted, and which does not meet their own analysis after months of work, they have a lot of explaining to do. If they cannot explain why they did not meet the objective, and if their explanation, let us say, is so tenuous that we conclude that they are not acting in good faith, then I would say they have fallen legally short of the mark.

If, on the other hand, Senator, they come up with regulations which do not achieve this goal and they explain that, well, they made a terrible mistake in their study, that would be a legitimate explanation for not achieving the objective.

Mr. FANNIN. I wish, too, Mr. President, to ask the distinguished Senator from Colorado if he feels that the chairman of the committee would fight for this in conference? Is this an amendment which he has discussed with the chairman of the committee and would it be one which he would insist be held in the bill as far as the conference is concerned?

Mr. HASKELL. I certainly hope the distinguished chairman would. I would want the distinguished chairman to speak for himself on the floor of the Senate, but I know that the chairman is dedicated to achieving conservation goals. As the distinguished Senator knows, the chairman has been interested in this whole energy problem for a long time and, I think, concurs with those of us who feel that we have to conserve energy, as well as increase supplies, if the Nation is going to become energy self-sufficient. But I would not dare speak for the chairman on the floor of the Senate.

Mr. FANNIN. Mr. President, I should like to have an expression from the distinguished chairman of the committee. Perhaps we shall have an opportunity to do so before we are through with the discussion. But I also wish to ask how this would affect the tremendous amount of power that we are going to be utilizing in recycling if we achieve the goals we are talking about. Here we are talking about recycling garbage, recycling—I have here a program that is going forward in my State on utilization of methane gas. This is going to require a tremendous amount of energy, especially to get it underway. It may be 2 or 3 years before we really see the results and achieve significant energy conservation. I am concerned about restricting long term efforts to satisfy a present conservation goal. I will comment on it a little bit more later.

I wish to know what the distinguished Senator's thoughts are considering the recycling program that we have set up for ourselves as a goal. Resource recovery programs are going to utilize much, much more energy than we are utilizing today.

Mr. HASKELL. In my judgment, Senator, my amendment would have no effect on a recycling program, My amendment merely says, that promulgating regulations dealing with the subject matters of subparagraph (a) on page 107 to subparagraph (k) on page 108, this will be the effect.

I might further say to the Senator that, as the Senator is well aware, I am very much aware of the Senator's interest in the programs that he mentions. They are very meritorious, but I merely say that my amendment has no effect on that.

I also say that my amendment has no effect on additional methods of conservation. For example, the distinguished Senator from Wisconsin (Mr. NELSON) and I have a bill which mandates an increase in miles per gallon of domestically produced cars after a certain date. My amendment has no effect on that, because that would be an additional supplemental method of conservation.

Mr. FANNIN. I say to the distinguished Senator that my method of conservation, such as the domestically manufactured vehicle would be entirely different from what the Senator is discussing. Today we have recycling programs on many metals.

We realize that we can recover many of those metals in the prices that we pay, whereas even months ago, that was not a program that was considered economically feasible. Today it is.

We utilize a tremendous amount of energy. Now, that energy—if we achieve the goal that is stated here—must be given up by other users if it is going to be made available for the recycling industry.

Mr. HASKELL. If I may comment on that, Senator.

Mr. FANNIN. Surely.

Mr. HASKELL. In my judgment, my amendment has absolutely no effect whatsoever on any such thing as the distinguished Senator from Arizona has discussed, because the goal here to be achieved is through the specific things that the Federal Energy Administration must issue regulations on: the lighting efficiency, the thermal standards, the reasonable restriction on hours of public buildings, et cetera. Nowhere here is there anything but very specific—it is only the specific things to be done that my amendment relates to. Such a program as the distinguished Senator from Arizona is talking about is completely outside of the scope of the bill, in my judgment.

Mr. FANNIN. I cannot understand how it could not have an effect if we are talking about conserving energy, the equivalent of at least 4 percent of the projected domestic consumption of refined petroleum product for the 12-month period following the effective date of this act. Anything we are doing in the way of recycling is going to use energy. That energy has to be generated in one manner or another.

Mr. HASKELL. Senator, if I may again interrupt, if the Senator will permit me, my amendment says, "the regulations promulgated under this section"—and this section is section 203. The regulations promulgated under this section deal with only specific things. They deal with (a) on page 107, lighting efficiency; (b) thermal performance, et cetera. By promulgating regulations on these specific things, we should save a certain amount of energy. But that does not mean that in some other area such as the Senator is talking about, we might not consume more energy. Nor does it mean that in certain other areas like the one I mentioned in Senator NELSON'S and my bill, we might consume less. All I can say is my bill would have absolutely no effect whatsoever on the very meritorious program discussed by the Senator from Arizona.

Mr. FANNIN. The Senator from Colorado is discussing a measure that would lower the utilization of energy, which would increase fuel economy. That is entirely different from what the Senator from Arizona is talking about. I am concerned about jobs in this country.

I realize that our productivity has been dropping. The way that we can pick up our productivity is by utilizing better equipment, more efficient equipment. It is true that in many instances we must use more equipment than ever before. So if we are going to cut back 4 percent, and I agree with some instances where the Senator has limitations, but section 203 is quite all-extensive because the Senator is talking about the full economy of the country when he refers to these items that are covered under section 203.

We are talking about the equipment utilized by the Federal Government, standards and programs to increase industrial efficiency in the use of energy—we certainly know that increasing the efficiency is a desired result—but we are getting into the industrial field in this particular part of the bill. Section 203 covers industrial efficiency and programs for better enforcement of energy conservation that I think would be of great importance.

Let us take (h), for instance—

> Standards for reasonable controls and restrictions on discretionary transportation activities upon which the basic economic vitality of the country does not depend.

The Senator might, in that instance, attain what he is talking about in his fuel economy bill. But when he gets down to what the Senator from Arizona is talking about, programs for recycling, increased efficiency in plants, and increased sources of energy—for instance, what would be the case with oil shale, if they had to utilize a tremendous amount of energy to move the residue into a different area? Would that be covered by the Senator's amendment?

Mr. HASKELL. No, not unless—I can not see how it would.

Let me just mention, I think the distinguished Senator mentioned subparagraph (h), standards for reasonable controls and restrictions on discretionary transportation activities upon which the basic economic vitality of the country does not depend.

Reading from page 5 of the committee report, it says:

> The Committee expects that a broad range of options will be suggested to influence transportation practices of individuals and businesses to increase the efficient use of energy. The creation of bicycle paths and bicycle and motorcycle lanes for commuters and the designation of automobile-free areas or areas in which reduced parking will be available can shift transportation habits away from the automobile to other more efficient modes.

These, for example, are things—if we make this type of bicycle paths and automobile-free areas, we are going to increase employment. If we talk about increasing the thermal efficiency of houses, we are going to increase employment.

I believe the distinguished Senator from Arizona talked about shale, and the moving and disposal, I presume, of the expanded product after it has been processed. I really do not think that this relates to that particular problem, any more than it relates to the Senator's recycling programs in Arizona.

I just have to repeat that all my amendment does is say, using these 10 or 12 items, they will come up with regulations that do the minimum they said they could do. That is really all I am doing.

Mr. FANNIN. The problem the Senator from Arizona has is that I am concerned about employment. Does the Senator have any idea as to the effect, or has a study been made upon the effect this amendment would have upon unemployment in this country?

Mr. HASKELL. I would think, generally speaking, looking down the list here, it would increase employment. I am speaking of increasing employment efficiency, for example, by thermopaning individual residences.

If the Senator will look at subparagraph (h), on page 52 of the report, subparagraph (h), I would think this, if anything, would increase employment.

But all I am doing is, where the FEA says that at a minimum they could do something, all I am saying is, "Friend, if that is what you said you could do, do it."

Mr. FANNIN. But as far as energy utilization in the home is concerned—which one is it, (e), or which is it?

Mr. HASKELL. That is (j).

Mr. FANNIN. Yes: (e) is "standards and programs to increase industrial efficiency in the use of energy." (j) is "low interest loans and loan guarantee programs to improve the thermal efficiency of individual residences by installation of insulation, storm windows, or other improvements."

We come right back to the manufacturers. I think the Senator realizes that in such a program as in section (j), one could probably include solar energy equipment. Is that not true;

Mr. HASKELL. That is possibly so. I would hate to say that right off the top of my head, but I think it is possible.

Mr. FANNIN. On all of these items, I think, energy is required. For example, insulation requires energy. Storm window installation takes energy. Almost anything that is done takes energy. What I am concerned about is, are we working backward? Are we really achieving the goal and objective the Senator has in this amendment?

I am afraid what we are doing is perhaps—in (j) it might be—impracticable for some of this manufacturing to be done, and I am just really concerned—I do not want to make legislative history that the Senate is advocating this to the point where it will be damaging. The Senator from Arizona feels that it will be, unless we do restrict the amendment to the minimum of what the Senator is talking about today, because I am afraid that the interpretation could be that the 4-percent cutback—now, as I understand it, the Senator is saying that is not his objective.

Mr. HASKELL. Oh, no, I have not been clear. My objective—the FEA has said at a minimum, under certain actions—that is, (a) through (k)—they can achieve, at a minimum, certain goals. All I am saying is, by statute, "OK, friends, achieve it." I personally think they can do better.

Mr. FANNIN. Mr. President, I do feel that there is mischief in the amendment, not intended by the Senator, certainly; I commend the Senator for his goal and for what obviously, as he states, is a desirable objective. I would like to get the record straight in that regard.

But I would remind the Senator of all the other possibilities with regard to many of the programs we are using. For

example, I have a statement on methane gas, which will mean more product availability eventually, but it will be several years, perhaps, in coming, and may require a lot of additional equipment. It will employ people, fortunately, but that is one of the fears this Senator has, as expressed with reference to recycling.

I think we should be careful to limit the interpretation of this amendment, because otherwise I think it could be very damaging. I shall not question the Senator further, but I would like the RECORD to include, Mr. President, a statement which I have prepared on the utilization of methane gas, which I think fits into this overall matter. In other words, if we had some more product available, we would not worry about whether it was being utilized. As the Senator has stated the restriction on utilization, we always want to conserve, but at the same time, we would not have this great concern, because we would be more concerned about having jobs and opportunities for our people.

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

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

STATEMENT BY MR. FANNIN

Though I have indicated my opposition to Federal programs which dictate what actions the individual States should take to accomplish energy conservation, I think the Federal government can serve a very valuable purpose by leading the way in energy research and development and in educating the private sector, and State and local governments on energy efficiency.

In Section 202 of the Standby Energy Authority bill, we provide for the promulgation of standards, however loose, for energy conservation. As I mentioned in the Minority views, I feel we should have been more direct about what we want the President to do—since he has 90 days in which to do it—and will mention one area of my concern.

Conservation possibilities by the industrial sector are listed, including utilization of waste heat and solid wastes, in the Committe report. Certain agricultural chemical companies in Arizona, who use tremendous amounts of natural gas in their production of anhydrous ammonia are attempting to find adequate quantities of wasted methane gas, which would be a satisfactory replacement for their purposes.

Since the City of Phoenix is also interested in new sewage treatment techniques, they too are looking for direction on the use of waste gases for energy production or other uses. Also, Arizona Public Service is studying the possibilities of methane use to free-up as much natural gas as possible. This type of resource recycling, which brings about the conservation of a very precious, high-demand substance like natural gas is absolutely necessary if we are to meet our future demands on our limited natural resources.

And so, Mr. President, if we could encourage and aid the States in bringing together, for instance, the City of Phoenix and the Arizona Agri-chemical Company for their mutual benefit, it would mean the saving of tremendous amounts of natural gas. Currently, the Department of Agriculture has a modest effort going forward in this direction. The Environmental Protection Agency is also exploring many resource recovery possibilities. But can we afford to wait for these programs to filter down to the local level. I submit that our energy conservation needs are too great to ignore these obvious possibilities. It is my sincere hope that we include in the meaning of "energy conservation plan" programs such as I mention that will assist the private sector and local government in establishing resource recovery programs like the above—to bring about both energy conservation and better harmony with the ecology.

Mr. GLENN. Mr. President, I yield to the Senator from Colorado.

Mr. HASKELL. I would like to ask the Senator from Ohio a question. As I said, I intended to ask for the yeas and nays. I do not know what the distinguished Senator's plans are for votes, whether he intends to have them at a time certain, a number of them, but if that is the Senator's intent, that would be fine with me so long as I know what it is, and I do not think there are enough Senators on the floor to get the yeas and nays now, so I do not want to call for them or have a quorum call, but what is the format?

Mr. GLENN. There has been no time certain agreement made as of yet. We have one hour on the amendment, and we could have a vote by 2 o'clock, if that is satisfactory.

Mr. HASKELL. Two o'clock would be fine.

Does the Senator think I might put in a quorum call just so that people could look into the cloakrooms to see if we can get the yeas and nays?

Mr. GLENN. I think that it would be more appropriate if we used up the time rather than go for a live quorum.

Mr. HASKELL. I have no further questions.

Mr. GLENN. The Senator from Ohio has a couple of questions of the Senator from Colorado.

Since there is little historical precedent for this, I would like to ask the distinguished Senator from Colorado if he envisioned this particular amendment, since it was placed in the bill, since the amendment went under the Federal initiatives in energy conservation, and since the next section, section 204, encompasses State initiatives and instructs the Administrator to take into consideration those mentioned in the previous section, with which the Senator from Colorado is familiar on page 108, my question then is whether he envisioned this as being an individual 4-percent State reduction program as an objective for each State or whether he envisioned this as a 4-percent overall national goal that could vary maybe from 1 percent in one State to 8 percent in another State to achieve the national average.

Mr. HASKELL. Mr. President, I am awfully pleased that the distinguished floor manager of the bill brought out that point.

The answer, in my judgment, is this is clearly not a directive to each State to use 4 percent. My State might use more or less energy or might be able to save more or less energy. This would be a national goal.

Mr. GLENN. Then, as I understand it, the Senator from Colorado would mean that the administrator of the bill at the Federal level is the one then who would have to go back and make sure that each State plan then achieved its maximum effectiveness so that we can achieve an overall national average reduction of 4 percent.

Mr. HASKELL. I would think not quite that way. I would think that in promulgating national regulations under section 203 we would know how much—let us take a very simple case—we would know how much energy we could reasonably attain from reasonable restrictions on hours of use in public buildings, and we probably would promulgate a regulation under that which, if implemented in good faith by the State, would result in X saving.

Now, maybe there are more public buildings in Ohio than there are in Colorado and, if so, I suppose Ohio contributes more than Colorado does or vice versa. But I think, and I would also like to mention, that in section 207 on page 111 "the Administrator shall, on a regular periodic basis, establish realistic and attainable energy conservation targets and objectives for State energy programs." So it is entirely possible as time goes by that the Administrator will say to the folks in Colorado:

You have got more public buildings and you ought to be doing a little better.

But I do not think there would have to be any sort of jigsaw puzzle effect. This is what I was trying to say.

Mr. BUMPERS. Mr. President, will the Senator from Colorado yield for a question?

Mr. HASKELL. I am delighted to yield.

Mr. BUMPERS. Is it anticipated by the Senator that the intent of this amendment would be to say to the Administrator that the goal to be achieved is not less than 4 percent?

Mr. HASKELL. That would be correct.

Mr. BUMPERS. There is no limitation on the top of this.

Mr. HASKELL. The Senator from Arkansas is certainly correct, and I would hope the Administrator could do better than 4 percent.

The PRESIDING OFFICER. Who yields time?

Mr. HASKELL. I will yield the Senator time.

The PRESIDING OFFICER. The Senator from Arizona has 6 minutes.

Mr. FANNIN. Mr. President, in line with what the distinguished Senator from Colorado is doing, and I am not going to further question him, I want to commend him for what he is doing in his State in the way of solar energy, and in line with what we are discussing now and this bill, I think solar energy is very important. I understand there is in Denver, Colo., a junior college now that is being constructed that will be heated with solar energy.

I was also in Colorado Springs last week, and they are going forward with several solar energy programs in that particular city. We are very proud that we in Arizona, too, have some very active programs on solar energy.

Mr. President, in the 93d Congress we produced a considerable amount of legislation concerned with energy. We provided for the allocation of scarce fuels, encouraged energy conservation, and greatly boosted energy research. Today, supplying adequate energy to meet this

country's demands continues to be a major problem, and it will not be solved in just a few years. So, Mr. President, yesterday I introduced a solar energy credit bill.

Obviously, we need to adapt ourselves to energy forms that are abundant, and we would like to utilize environmentally clean forms of energy wherever possible. The surprising factor is, Mr. President, that such a source is available to us now. The problem with this answer to our dreams—solar energy—is that the costs of adapting to its use have not come into commercial competition with our conventional sources. Even though the fuel to operate a solar heating and cooling system would be absolutely free, the initial expense discourages homebuilders and homeowners alike.

In debating the tax rebate bill, the Senate indicated its understanding of this situation by adopting an energy conservation amendment which included tax incentives for the use of solar energy. In conference on H.R. 2166, however, this provision was deleted to keep the costs of that extravagant legislation down—and because it was felt the energy provision belonged more properly with other legislation.

I introduced a separate bill to establish solar energy tax incentives. It is my strong feeling that such incentives for a limited period of time could work hand in hand with our solar development and demonstration programs and significantly reduce our oil imports, improve our environment, save homeowners millions of dollars in fuel costs and begin our climb into the era of ecological harmony.

Very simply, this legislation provides a tax credit limited to $2,000 for retrofitting to an old home or utilizing in new construction solar energy equipment. Considering the estimated $4,000 to $8,000 cost of solar heating and cooling systems, I do not feel this amount, 25 percent of the cost, is unreasonable. Owners of commercial buildings would be allowed a choice: Either an investment tax credit of up to 12 percent of the cost of a system, or the rapid amortization of a system's cost over 60 months such as we allow for pollution control facilities.

All equipment would have to meet Federal specifications and be functioning normally to qualify the taxpayer for these privileges. Further the Secretary of the Treasury would be directed to report on the use of this credit, both the extent and geographical use. The Federal Energy Administration would be directed to calculate the energy savings and recommend needed changes in this program, including a study of the potential benefits and costs of a loan guarantee or interest rate subsidy to incentivize homebuilders to utilize solar energy equipment.

After 5 years, the goal we have set for commercial competition by solar energy systems, these incentives would drop to an allowable credit of only 15 percent of the cost of application, with a limit of $1,200. I feel these provisions would bring about the utilization of solar energy at a small cost to the Treasury. If we reach FEA goals for solar utilization of 1 percent of all commercial and housing starts being equipped with solar devices by 1980, the loss to the Treasury would be about $64 million annually. And yet, we would save many more millions of dollars in oil imports and we would have launched a new industry which homeowners and business people have awaited a long time.

I applaud Representative ULLMAN for his attention to solar incentives in his legislation, H.R. 5005, the Energy Conservation and Conversion Act of 1975, but I feel we must go further. We must provide for residential and commercial use, we must have adequate performance standards to protect all consumers, and we must have a high enough credit to truly enhance the high initial costs of solar equipment. I am also hopeful that the FEA will be able to provide the necessary analysis of an incentive program for builders. Since, in most cases, the builder determines what type of heating and cooling system to use, we should not overlook his role in bringing about solar energy use.

I realize many of my colleagues are interested in this same goal and look forward to working with them on a comprehensive program to bring about this very desirable goal.

Mr. President, fortunately, throughout the Nation we do have work going forward on this very important task of trying to lower the peakloads of the utilities. One program that I think is going to be very helpful is having solar energy for the supplemental utilization.

Mr. BELLMON. Mr. President——

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BELLMON. Will the Senator yield for a unanimous-consent request?

Mr. FANNIN. I am very pleased to yield to the distinguished Senator from Oklahoma.

Mr. BELLMON. Mr. President, I ask unanimous consent that Mr. Bill Oakley of my staff be permitted privilege of the floor during the remaining consideration of this bill.

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

The time of the Senator from Arizona has expired.

Mr. HASKELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

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

I am informed, after very careful canvass of the environs, that probably not enough Senators are present to get the required yeas and nays.

For that reason, I am going to ask unanimous consent that the yeas and nays be ordered on my amendment without the normal seconds.

Mr. FANNIN. Mr. President, would the Senator repeat that?

Mr. HASKELL. Yes, Senator. As I mentioned, I had the environs of the Chamber canvassed, and there are not enough Senators available to get the necessary seconding yeas and nays, and rather than go into a quorum call, or something like that, I have asked for a unanimous consent that the yeas and nays be ordered on my amendment, but that the normal seconding procedure be dispensed with.

The PRESIDING OFFICER. Is there objection?

Mr. FANNIN. Mr. President, as I understand it——

Mr. HASKELL. I am now informed that there are sufficient Senators in the vicinity of the Chamber to get a second, and for that reason I ask for the yeas and nays.

The PRESIDING OFFICER. Does the Senator withdraw his request?

Mr. HASKELL. I withdraw my request.

The PRESIDING OFFICER. The request is withdrawn.

Is there a sufficient second?

There is not a sufficient second.

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

The PRESIDING OFFICER. On whose time?

Mr. BUMPERS. On the time on the bill.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. HASKELL. Mr. President, I ask for the yeas and nays on amendment No. 332 to S. 622.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. BUMPERS. Mr. President, I ask unanimous consent that the Senate consider amendment No. 331, the amendment I offered to this bill.

The PRESIDING OFFICER. Is there objection?

Mr. HASKELL. Mr. President, I do not intent to object, but I do want to make one inquiry.

I have no objection.

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

The amendment will be stated.

The legislative clerk read as follows.

Th Senator from Arkansas (Mr. BUMPERS) proposes an amendment numbered 331:

On page 109, line 6, strike the word "four" and insert the word "six".

The PRESIDING OFFICER. Do Senators yield back their time on the amendment?

Mr. FANNIN. Mr. President, I commend the distinguished Senator from Arkansas. I believe this amendment will be very helpful, and it is needed. I think that the Governors of the States should be given at least 6 months to do this,

and even that is a short time. I commend the Senator for making that change.

I yield back the remainder of my time.

Mr. BUMPERS. I thank the distinguished Senator.

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

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arkansas.

The amendment was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

Mr. FANNIN. Mr. President, I yield myself 10 minutes on the bill.

Mr. President, in his recent book "Who Runs Congress?" Ralph Nader singled out the U.S. oil and gas industry as perhaps the single most powerful influence on Congress, indicating that Congress was the pawn of the oil and gas industry. Ralph Nader was partly correct. The oil and gas industry must have a powerful influence on Congress, because the Congress has chosen to punish it more than any other single industry. There are at least three reasons why the oil industry is the current whipping boy of the Congress. Most of the reasons are related to public opinion.

First, members of the American public think that the sizable improvements in profits of the petroleum industry over the past 2 years have gone into management's pockets.

Second, the price increases to consumers associated with the profits were thought by the American public to be unnecessary to produce more oil.

And third, although most U.S. citizens favor a policy of energy conservation, when polled as to their preferences between price or tax increases as an inducement to conserve as contrasted to a Government rationing program, nearly twice as many favored Government rationing. The reason for this is that many Americans believe that the Government is able to devise and operate a rationing program which will guarantee them an adequate supply of petroleum products at lower prices. The public's belief in the promise of the politician that he can deliver the voter something for nothing continues to persist.

Mr. President, the congressional response has been to enact legislation which assumes that public opinion is predicated on factual accuracy.

Furthermore, this legislation, taken as a whole, is doing far more than merely making it harder and more expensive for the U.S. petroleum industry to develop the new sources of energy required to liberate us from the prices set by the OPEC cartel, and the threat of blackmail inherent in an unhealthy 40 percent dependence on foreign petroleum supplies.

About 2 weeks ago during consideration of the emergency tax legislation, two amendments were adopted which will have a substantial effect on the development of energy supplies.

These two amendments, which have now become law, will result in an aggregate annual tax burden to the petroleum industry of $2.1 billion. Put another way, the industry's costs of producing oil instantly shot up at a rate of $2.1 billion per year.

What this means is that either prices must reflect the increased costs or less capital will be expended in looking for oil, because the industry's $2.1 billion tax bill must be paid for out of something.

S. 622 would prohibit the Federal Energy Administration from establishing oil price increases without opportunity for congressional veto, which would allow for passthroughs of increased oil tax costs. If this bill becomes law, then industry expenditures for the search for oil would conceivably decrease by at least $2.1 billion.

Mr. President, let us dwell for a moment on recent industry expenditures in search for oil and its projected capital requirements. Recall that most members of the American public think that oil industry profits are channeled into management's pockets and that the oil industry does not "need" to charge such high prices in order to continue producing enough oil to meet consumer demand.

Regarding the misconception about pocketing profits, in 1969 the domestic oil industry expended $3.1 billion in oil and gas exploration. In 1973, the industry expended $5.9 billion for the same purpose. In 1969 the industry expended $2.8 billion for development and in 1973 expenditures had increased to $3.3 billion. In 1969, industry expenditures for production were $3.4 billion while in 1973 they had increased to $4.3 billion. Adding it all up, total expenditures for exploration, development, and production in 1969 were $9.3 billion. By the close of 1973 they had increased to $13.5 billion.

From this data, one can safely conclude that some profits must have been plowed back into the ground.

But let us proceed another step into our analysis. During the past 5 years U.S. oil industry profits amounted to an aggregate of $18.9 billion, while industry expenditures aggregated $34.1 billion or nearly twice earnings. Put another way, not only did the industry reinvest essentially every dollar of profits but, for every dollar of profit, it went out and borrowed nearly another dollar which it plowed into supplying more oil.

That latter statistic speaks to the second public misconception about the industry not "needing" substantial profits based on higher prices in order to supply America with oil. So does the Federal Energy Administration's estimate that in order to accelerate domestic oil supply in proportion to anticipated increased demand in order to achieve energy self-sufficiency, $561 billion—in 1973 dollars—must be expended between now and 1985. To use an old cliché, that does not grow on trees.

Let us assume for the sake of argument that the oil industry was nationalized tomorrow and that, contrary to law, the Government was not required to pay compensation for the taking of the industry's privately owned assets and that, by some unprecedented miracle, the Government was able to operate as efficiently as the industry does now. It would still take $561 billion to reach energy self-sufficiency. That money would have to come from somewhere. Presumably it would have to be recovered from the price the Government charged consumers or from consumers' tax dollars paid to the Government or from the private money market which the Government would have to repay with interest.

Mr. President, Congress, as you may have concluded, lives in a different world. If the private economy does not produce instant results, the solution that instantly jumps to too many minds is to legislate them. Time and again those who tried to roll back the prices of new oil to $5.25 per barrel challenge those who believe in the stimulus of the marketplace to explain why, after 1½ years, we have not seen a sharp increase in domestic production. They will not let themselves be diverted from their demonstration by the fact that exploratory development and production expenditures have risen $4.2 billion in the 5-year period 1969–73, despite shortages of pipe and rigs that resulted from our ill-conceived venture into wage and price controls.

Let us pause again, this time to look at a sample of recent increased costs to the oil industry. A variety of tubular goods increased in cost between January 1973 and January 1975—55.1 to 65.4 percent.

The cost of a two stage gas compressor cost $50,540 in January, 1973. In January, 1975, its cost had increased to $86,060 or by 70.2 percent.

Two years ago a deep well pumping unit cost $12,300. Now it costs $29,070, a 136.3-percent increase. In the past year alone offshore rig rates in the Gulf of Mexico increased by 31 percent.

Let us get back to the misconception that domestic production has not increased but continued to decrease; therefore, the oil industry must be pocketing its profits. We have already discussed increases in industry expenditures for the search for oil. Somebody must have paid for the increased use of drilling rigs. During 1974 1,471 rigs were operating in the United States, an increase of 23.2 over the 1,194 rigs in operation in 1973.

Somebody must have paid for the 32,756 oil, gas, dry and service wells drilled in the United States in 1974 which amounted to an 18.0-percent increase over the 27,551 wells drilled in 1973.

Somebody must have paid for the proved reserves of crude oil added by the 226,163,000 barrels of new field discoveries in 1974—which was a 94.8-percent increase over the 116,097,000 barrels added in 1973.

What concern has Congress shown for the need to increase domestic oil and gas production in order to avoid international blackmail? Let us summarize the various types of energy legislation related to the development of energy supplies acted upon in the past 2¼ years.

The major emphasis this year will be on reducing demand rather than increasing supply. The means by which the

Congress will seek to reduce demand will be and is mandatory conservation and allocation or rationing.

Have Senators perceived the remarkable similarity between what is happening to oil and what has happened to natural gas? Look at the custom of the Federal Power Commission's policy of setting area rates based on questionable cost data. Production has been seriously on the decline and substantial curtailments, or rationing have been the result when the Government controls prices and therefore profits. The Government also prevents the development of increased supplies. This is just the beginning of what has happened to oil.

So far we have talked privately about legislation already acted upon by the Congress to use a familiar expression, if you think things have been bad recently, consider what is about to happen to you now.

Without intending any particular hierarchy of horror, let us start with the Jackson proposal contained in S. 740 for a National Energy Production Board. The Board would be authorized not only to direct the petroleum industry where and when and how often to drill, but would also itself enter the exploration and production business onshore on Federal lands including the Naval Petroleum Reserves on the Outer Continental Shelf. As an added bonus, the Energy Production Board would also manufacture tubular goods, lease equipment, and other materials associated with oil and gas exploration and production.

The Board also would operate its own coal mines and take over the railroads. I must add that this is a serious proposal. The various congressional Democratic energy policy reports recently issued all contained a recommendation favoring creation of an Energy Production Board.

Next there are various versions of bills which call for the establishment of a Petroleum Import Administration under the chief sponsorship of Senators HART and CHURCH and Congressman UDALL. These bills would make it a crime for any private company to import oil into the United States. Instead, only the Federal Energy Administration would be permitted to purchase U.S. oil imports.

Mr. President, this is the response of the Congress to dealing with the energy crisis. Tell the voter he is going to get something for nothing because the Government is going to take over the energy business, Mr. President, I hope the American public soon wakes up to what the Congress is doing to it.

Mr. MOSS. Mr. President, I ask unanimous consent to submit an amendment at this point, and that further consideration of the amendment of the Senator from Colorado may follow immediately thereafter.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Utah? Without objection, it is so ordered.

Mr. MOSS. I send an amendment to the desk, and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 67, line 17, after the word "title," insert the following: title II of this Act,".

Mr. MOSS. Mr. President, this is a very simple amendment. I have spoken with the managers of the bill, and also the minority, and I do not think it is controversial at all.

The purpose of the amendment is to extend to title II of this act the prohibitions on unreasonable actions which now applies, by virtue of section 108 of the bill, to title I.

My specific concern in offering my amendment is to insure that interim energy conservation plans promulgated by the President pursuant to section 202 and permanent energy efficiency and conservation standards promulgated pursuant to section 203 are subject to the standards of section 108. In particular, I want to make sure that the "reasonable restrictions on hours for public buildings" and the "standards for reasonable controls and restrictions on discretionary transportation activities" which those two sections—sections 202 and 203—authorize, do not result in unreasonable and disproportionate burdens on the tourism industry.

When the President and the Administrator of the Federal Energy Administration promulgate energy conservation regulations under this act, they must take care to reduce energy waste but not energy usage which creates jobs. Tourism, because it is regarded as leisure activity, might be the target of some energy conservation plans. One man's leisure may be another man's livelihood, however. So I offer this amendment in order to provide guidelines to the energy conservation planners, that in deciding what restrictions are necessary and appropriate they look at the whole economy to find areas where energy is wasted and can be saved without loss of jobs, rather than loading the brunt of energy savings on a useful industry such as tourism which provides jobs for our people and tax revenues for our States and local communities.

I want to clarify one technical point before closing my remarks. It is my understanding that the effect of my amendment is to make both paragraph (a) and paragraph (b) of section 108 applicable to title II. I would like to have the floor manager of the bill confirm if that is also his understanding.

Mr. JACKSON. The Senator is correct, and I compliment the Senator from Utah on a most constructive amendment.

The effect of his amendment, of course, is to apply the provisions of section 108, prohibitions on unreasonable actions, to the conservation provisions of the bill, title II.

I must say that title II, the conservation area, is an area which can be susceptible to arbitrary and capricious judgment and decisions, and I think incorporating the provisions of section 108 in title II—and that is the thrust of it—is a most helpful and useful addition to the bill.

The Senator from Utah has been a pioneer in the conservation area in the energy field. He offered the historic transitional amendment in connection with home insulation which was in the predecessor to this bill that was passed over a year ago and was vetoed. I commend him for his continuing effort in this regard. This amendment is but another example of his astute and thoughtful consideration of the legislation before the Senate, and I commend him.

Mr. MOSS. I thank the Senator from Washington.

Mr. JACKSON. Mr. President, I am prepared to accept the amendment, and yield back the remainder of my time.

Mr. FANNIN. Mr. President, I am pleased to support the amendment. It is a very equitable and, I think, beneficial amendment.

Mr. MOSS. I thank the Senator from Arizona, and I am happy to yield back the remainder of my time.

The PRESIDING OFFICER (Mr. PACKWOOD). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Utah (Mr. Moss).

The amendment was agreed to.

Mr. MOSS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. JACKSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JACKSON. Mr. President, I suggest the absence of a quorum, and that the time——

Mr. ROBERT C. BYRD. Mr. President, instead of that, will the Senator yield me 3 minutes?

Mr. JACKSON. I yield 3 minutes to the Senator from West Virginia.

Mr. STENNIS. Mr. President, I call for order.

The PRESIDING OFFICER. The Chair did not understand the Senator. Is the Senator from Mississippi raising a point of order?

Mr. STENNIS. I call for order.

The PRESIDING OFFICER. The Senate will be in order.

ORDER FOR RECOGNITION OF SENATOR PROXMIRE TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, following the remarks of the Senator from South Dakota (Mr. ABOUREZK) for which an order has previously been entered, the distinguished Senator from Wisconsin (Mr. PROXMIRE) be recognized for not to exceed 10 minutes.

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

PRIVILEGES OF THE FLOOR—S. 622

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, if the Chair will indulge me momentarily, on behalf of Mr. DOMENICI that Darla West be granted the privileges of the floor during the further consideration of the pending measure.

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

TIME-LIMITATION AGREEMENT S. 66

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at such time as S. 66 is called up and made the pending business before the Senate—and this request has been cleared with the other side of the aisle—there be a time limitation of 1 hour on the bill; that there be a time limitation of 2 hours on an amendment to be offered by Mr. BARTLETT; that there be a time limitation of 30 minutes on any other amendment, 20 minutes on any debatable motion or appeal, and that the agreement be in the usual form.

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

The text of the unanimous-consent agreement is as follows:

Ordered, That, during the consideration of S. 66 (Order No. 29), the so-called "Nurse Training Act of 1975," debate on any amendment (except an amendment to be offered by the Senator from Oklahoma (Mr. BARTLETT), on which there shall be 2 hours debate) shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill, and that debate on any debatable motion or appeal shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: Provided, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the Minority Leader or his designee: Provided further, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the Majority and Minority Leaders, or their designees: Provided, That the said Leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion, or appeal.

TIME-LIMITATION AGREEMENT—S. 229

Mr. ROBERT C. BYRD. Mr. President, the following request has been taken up with the other side and cleared there: I ask unanimous consent that at such time as S. 229 is called up and made the pending business before the Senate, that there be 1 hour on the bill, 30 minutes on any amendments, and 20 minutes on any debatable motion or appeal, and the agreement be in the usual form.

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

The text of the unanimous-consent agreement is as follows:

Ordered, That, during the consideration of S. 229 (Order No. 57), the so-called "Scrimshaw Art Preservation Act of 1975," debate on any amendment shall be limited to 30 minutes, to be equally divided and controlled by the mover of such and the manager of the bill, and that debate on any debatable motion or appeal shall be limited to 20 minutes, to be equally divided and controlled by the mover of such and the manager of the bill: Provided, That in the event the manager of the bill is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the Minority Leader or his designee: Provided further, That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill, debate shall be limited to 1 hour, to be equally divided and controlled, respectively, by the Majority and Minority Leaders, or their designees: Provided, That the said Leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, debatable motion or appeal.

TIME LIMITATION AGREEMENT AND ORDER FOR THE RECOGNITION OF MR. McCLURE—NOMINATION OF NEIL STAEBLER TO BE A MEMBER OF THE FEDERAL ELECTION COMMISSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent, as in executive session, that at such time as the nomination of Mr. Neil Staebler, of Michigan, to be appointed as a member of the Federal Election Commission is called up and made the pending business before the Senate, that there be a time limitation on the nomination of 1 hour, to be equally divided between Mr. CANNON and Mr. McCLURE; and that at the expiration of that time or when such time as remains is yielded back, Mr. McCLURE be recognized for the purpose of making the recommittal motion; that the vote then occur without further debate on the recommittal motion, and that if the recommittal motion fails the vote occur immediately on the question of the nomination of Mr. Staebler.

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

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

Mr. MANSFIELD. Will the Senator withhold that request.

Mr. ROBERT C. BYRD. I withdraw my request.

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

Mr. ROBERT C. BYRD. Yes.

JOINT SESSION OF THE TWO HOUSES TO RECEIVE A MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

Mr. MANSFIELD. Mr. President, I send to the desk a House concurrent resolution and ask for its immediate consideration.

The PRESIDING OFFICER laid before the Senate House Concurrent Resolution 203, which was read as follows:

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Thursday, April 10, 1975, at 9 p.m., for the purpose of receiving such communications as the President of the United States shall be pleased to make to them.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (H. Con. Res. 203) was agreed to.

AUTHORIZATION FOR APPOINTMENT OF ESCORT COMMITTEE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Vice President be authorized to appoint a committee on the part of the Senate to join a similar committee on the part of the House of Representatives to escort the President of the United States into the House Chamber for the joint session at 9 p.m. on Thursday, April 10, 1975.

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

ORDER FOR THE RECOGNITION OF MR. BENTSEN ON MONDAY, APRIL 14, 1975

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on Monday next, after the two leaders have been recognized under the standing order, Mr. BENTSEN be recognized for not to exceed 15 minutes.

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

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum with the understanding that the time be charged to both sides on the bill.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

STANDBY ENERGY AUTHORITIES ACT

The Senate continued with the consideration of the bill (S. 622) to provide standby authority to assure that the essential energy needs of the United States are met, to reduce reliance on oil imported from insecure sources at high prices, and to implement United States obligations under international agreements to deal with shortage conditions.

Mr. BUMPERS. Mr. President, I ask that the yeas and nays which have been previously ordered on the amendment by the Senator from Colorado be taken.

The PRESIDING OFFICER. Without objection it is so ordered.

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

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of Mr. HASKELL, No. 332.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. MAGNUSON), and the Senator from North Carolina (Mr. MORGAN) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. McGOVERN) is absent on official business.

I also announce that the Senator from

Montana (Mr. METCALF) is absent because of death in the family.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Hawaii (Mr. FONG), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

I also announce that the Senator from New Jersey (Mr. CASE) is absent on official business.

I further announce that, if present and voting, the Senator from New Jersey (Mr. CASE) would vote "yea."

The result was announced—yeas 68, nays 21, as follows:

[Rollcall Vote No. 123 Leg.]

YEAS—68

Abourezk	Haskell	Packwood
Allen	Hatfield	Pastore
Bayh	Hathaway	Pearson
Bentsen	Helms	Pell
Biden	Hollings	Percy
Brooke	Huddleston	Proxmire
Bumpers	Humphrey	Randolph
Burdick	Jackson	Ribicoff
Byrd, Robert C.	Javits	Roth
Cannon	Kennedy	Schweiker
Chiles	Leahy	Scott, Hugh
Church	Long	Sparkman
Clark	Mansfield	Stafford
Cranston	Mathias	Stennis
Culver	McClellan	Stevenson
Domenici	McGee	Stone
Eagleton	McIntyre	Symington
Eastland	Mondale	Talmadge
Ford	Montoya	Tunney
Glenn	Moss	Weicker
Griffin	Muskie	Williams
Hart, Gary W.	Nelson	Young
Hartke	Nunn	

NAYS—21

Bartlett	Dole	Laxalt
Beall	Fannin	McClure
Bellmon	Garn	Scott, William L.
Brock	Gravel	Stevens
Buckley	Hansen	Thurmond
Byrd, Harry F., Jr.	Hart, Philip A.	Tower
Curtis	Hruska	
	Johnston	

NOT VOTING—10

Baker	Inouye	Morgan
Case	Magnuson	Taft
Fong	McGovern	
Goldwater	Metcalf	

So Mr. HASKELL'S amendment (No. 332) was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HASKELL. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BELLMON. Mr. President, I send my amendment to the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Oklahoma proposes an amendment on page 97, line 9, to strike out section 123 and insert in lieu thereof new language.

The amendment is as follows:

On page 97, line 9, strike out Sec. 123 and insert in lieu of it the following new section:

"Sec. 123. Phase-out of Petroleum Price controls.—

(a) The price permitted for oil now, or in the future, classified as "old" oil under regulation promulgated pursuant to Section 4 of the Emergency Petroleum Allocation Act of 1973 (87 Stat. 629) and in effect on January 1, 1975, may be increased to the level in effect for "new" or "stripper-well oil" under changes to be promulgated in existing regulations on the basis of ⅓ of the difference in price to be allowed on July 1, 1975, ⅓ the difference on July 1, 1976, and the final ⅓ on July 1, 1977, when this title expires.

(b) The income derived by the producer of the oil from these price increases shall be subject to an excess or tax at a rate of 100 per centum unless it is re-invested within three years for—

"(1) intangible drilling and development costs;

"(2) the following items if paid or incurred for the purpose of ascertaining the existence, location, extent, or quality of any deposit of oil or gas within the United States or a possession of the United States:

"(a) aerial photography;

"(b) geological mapping;

"(c) airborne magnetometer surveys;

"(d) gravity meter surveys;

"(e) seismograph surveys; or

'(f) similar geological and geophysical methods;

"(3) the construction, reconstruction, erection, or acquisition of the following items;

"(a) depreciable assets used for the exploration for or the development or production of oil or gas (including development or production from oil shale); converting oil shale, coal, or liquid hydrocarbons into oil or gas; or refining oil or gas (but not beyond the primary product stage);

"(b) pipelines for gathering or transmitting oil or gas, and facilities (such as pumping stations) directly related to the use of such pipelines.

"(4) secondary or tertiary recovery of oil or gas, including remedial work necessary to maintain or restore primary production, or

"(5) the acquisition of oil and gas leases but the aggregate amount which may be taken into account under this subparagraph for any taxable period shall not exceed one-third of the aggregate of the amounts which may be taken into account by the taxpayer under subparagraphs (1), (2), (3), and (4) for such period.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. BELLMON. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BELLMON. Mr. President, the purpose of this amendment is very simple. We now have a two-oil pricing system for oil in this country. Old oil produced now is selling for about half the price of new oil or stripper oil, and about half of the price of oil on the world market.

As every Member of the Senate knows, it is causing serious problems in its administration. It is an allocation program that is breaking down.

Also, if it is the desire of the Senate and of the Government to become more or less independent and secure from foreign sources of oil, we need to provide incentives to produce more here at home.

We also need to provide a means of conservation.

The programs being considered practically all involve rationing or increases in the cost of energy so that users will conserve more and use less.

There is also a great need for more capital in the industry to drill deeper wells in the Outer Continental Shelf, in the deeper gas zones, and on the North Slope.

This amendment is intended to accomplish all of those objectives by phasing in a decontrol over old oil prices in three phases over the next 3 years.

The amendment states that one-third of the difference of the price between new and old oil would be allowed on July 1, 1975; one-third the difference on July 1, 1976, and the final one-third on July 1, 1977.

At that time there would be no more difference between the price of new oil and old oil.

The amendment also includes an excess profits tax provision requiring that all the income received by producers for the increase in the price of old oil would have to be plowed back or would be taxed at the rate of 100 percent.

Mr. President, I have no further comment to make about the amendment at this time.

The PRESIDING OFFICER. Who yields time?

The question is on agreeing to the amendment.

Mr. BUMPERS. Mr. President, on behalf of the committee, I state that the amendment is not acceptable to the committee. The committee hopes to hold hearings on this subject within the next 3 weeks.

The amendment of the Senator from Oklahoma is very similar to the Gravel amendment which has already been considered by the Senate. As I say, the substance or the concept of it will be considered in committee hearings later this month.

A point of order could be raised about this amendment because of the tax aspects of it, but I simply want to voice the committee's opposition to it.

I yield back the remainder of my time.

Mr. FANNIN. Mr. President, I should like to take a minute to commend the Senator from Oklahoma. I realize his sincerity in offering this amendment. Yes, a similar amendment has been considered previously, but this amendment would solve one of the primary energy problems which we have been working on. The administration has been trying to increase the supply of energy. The Senator from Oklahoma is giving the incentives for an increase in this amendment. It provides that there will be an incentive for a plowback, and there will be an excess profits tax. Certainly it meets all the requirements that have been advocated to achieve the goals we have in our energy picture.

I commend the Senator for offering this amendment.

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

Mr. BELLMON. I yield.

Mr. HANSEN. Mr. President, I think we are going to look back with some misgivings in a few months, after we have had the time to see what impact the cut in the depletion allowance has had on the economy, particularly on the oil industry. I wonder if we were not ill-advised in voting as I anticipate we shall

vote on the amendment proposed by the Senator from Oklahoma.

Practically every expert who has testified before the Committee on Interior and Insular Affairs and before the Committee on Finance, on either side, has been on record in pointing out that you cannot have it both ways.

I believe that the Senator's amendment makes great sense. If we want to become more energy self-sufficient in America, if we want to shorten the lever that the OPEC countries have now and which they have applied effectively in expressing their disapproval of our foreign policy or whatever else may be the case to invoke their opposition or ire, we will have to do it in the manner that is proposed by the amendment of the Senator from Oklahoma.

I wish the Senate had more time to consider the sound advice that has been given by any number of experts. If that had been the case—I regret that it has not—I would anticipate that the Senator's amendment would be given rather substantial approval.

The PRESIDING OFFICER. Who yields time?

Mr. BELLMON. Mr. President, I will take 1 minute to conclude.

The Senate has considered the Gravel amendments, which are different. They have the same objective. This amendment would start the decontrol process as of July 1 of this year and would end it by July 1 of 1977. It is a phased decontrol. It would not produce a sudden jolt on the cost of gasoline or other types of energy, and it would prepare us for the conservation program that the Senate probably will have to adopt very quickly.

I sincerely believe that we should go ahead and do more in the way of conservation. The Senator from Arkansas has said that other hearings need to be held. But here is a step we can take now, without hearings being necessary—we all understand the issues—and get moving now and not have a 7-month delay. I see no need to wait for hearings and the development of new legislation. I urge the approval of this amendment.

I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment of the Senator from Oklahoma. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. MAGNUSON), the Senator from Kentucky (Mr. FORD), and the Senator from Louisiana (Mr. LONG), are necessarily absent.

I further announce that the Senator from South Dakota (Mr. MCGOVERN) is absent on official business.

I also announce that the Senator from Montana (Mr. METCALF) is absent because of death in the family.

I further announce that if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Hawaii (Mr. FONG), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

I also announce that the Senator from New Jersey (Mr. CASE) is absent on official business.

I further announce that, if present and voting, the Senator from New Jersey, (Mr. CASE) would vote "nay."

The result was announced—yeas 28, nays 61, as follows:

[Rollcall Vote No. 124 Leg.]

YEAS—28

Bartlett	Garn	Montoya
Bellmon	Goldwater	Packwood
Bentsen	Gravel	Pearson
Brock	Hansen	Scott, William L.
Buckley	Helms	Stevens
Curtis	Hruska	Thurmond
Dole	Johnston	Tower
Domenici	Laxalt	Young
Eastland	McClure	
Fannin	McGee	

NAYS—61

Abourezk	Hart, Philip A.	Nunn
Allen	Hartke	Pastore
Bayh	Haskell	Pell
Beall	Hatfield	Percy
Biden	Hathaway	Proxmire
Brooke	Hollings	Randolph
Bumpers	Huddleston	Ribicoff
Burdick	Humphrey	Roth
Byrd, Harry F., Jr.	Jackson	Schweiker
	Javits	Scott, Hugh
Byrd, Robert C.	Kennedy	Sparkman
Cannon	Leahy	Stafford
Chiles	Mansfield	Stennis
Church	Mathias	Stevenson
Clark	McClellan	Stone
Cranston	McIntyre	Symington
Culver	Mondale	Talmadge
Eagleton	Morgan	Tunney
Glenn	Moss	Weicker
Griffin	Muskie	Williams
Hart, Gary W.	Nelson	

NOT VOTING—10

Baker	Inouye	Metcalf
Case	Long	Taft
Fong	Magnuson	
Ford	McGovern	

So Mr. BELLMON's amendment was rejected.

Mr. TALMADGE. Mr. President, will the distinguished Senator from Ohio yield to me on a privileged matter?

Mr. GLENN. I yield to the distinguished Senator from Georgia.

AGRICULTURAL PRICE SUPPORT—MESSAGE FROM THE HOUSE

Mr. TALMADGE. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 4296.

The PRESIDING OFFICER (Mr. PACKWOOD) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 4296) 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 80 per centum of parity with quarterly adjustments for the period ending March 31, 1976, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. TALMADGE. I move that the Senate insist upon its amendment and agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer (Mr. PACKWOOD) appointed Mr. TALMADGE, Mr. EASTLAND, Mr. MCGOVERN, Mr. ALLEN, Mr. HUMPHREY, Mr. DOLE, Mr. YOUNG, and Mr. BELLMON, conferees on the part of the Senate.

Mr. TALMADGE. I thank my distinguished friend from Ohio for yielding to me.

STANDBY ENERGY AUTHORITIES ACT

The Senate continued with the consideration of the bill (S. 622) to provide standby authority to assure that the essential energy needs of the United States are met, to reduce reliance on oil imported from insecure sources at high prices, and to implement United States obligations under international agreements to deal with shortage conditions.

SENATOR RANDOLPH STRESSES NEED FOR COAL CONVERSION AUTHORITY

Mr. RANDOLPH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

TITLE VI

EXTENSION OF AUTHORITY TO ISSUE ORDERS

SEC. 601. Section 2(f)(1) of the Energy Supply and Environmental Coordination Act of 1974 is amended by revising the date "June 30, 1975" to read "December 31, 1975."

Mr. RANDOLPH. Mr. President, this amendment which I have offered, and in which my able colleague from West Virginia (Mr. ROBERT C. BYRD) has joined, has the support of the Senator from Washington (Mr. JACKSON) and the Senator from Arizona (Mr. FANNIN), the manager of the bill and the ranking minority member with whom I have discussed the purpose of the amendment.

The amendment would provide for extension of the time for the Administrator of the Federal Energy Administration, under the Energy Supply and Environmental Coordination Act of 1974, to issue coal conversion orders for an additional 6 months, until December 31, 1975.

Mr. President, last June, 10 months ago, the Congress passed and the President approved the Energy Supply and Environmental Coordination Act of 1974.

Among its provisions was authority to require electric power plants and major industrial facilities with the capability to utilize coal to convert from oil and natural gas to our Nation's most abundant fossil fuel.

Six months later in his state of the Union message President Ford endorsed coal conversion. On January 14, 1975, I wrote the chief executive supporting his position and stating, and I quote:

Under the Energy Supply and Environmental Coordination Act of 1974, the Federal Energy Administration now has authority to order the conversion of some oil and gas fired electric power plants and major industrial users to coal with minimum compromise of compliance schedules for clean air requirements. Thus I am disturbed by re-

ports that additional authority will be sought to ease environmental rules, when this Act has yet to be implemented. National policies to protect public health, as contained in the Clean Air Act, must not be compromised although our country is faced with energy supply problems.

And today, Mr. President, the Federal Energy Administration has yet to issue an order although 10 months have passed. Despite a concerted effort since last fall by their Office of Fuel Utilization, the Federal Energy Administration has yet to issue its first order.

Meanwhile as reported by the Washington Post on April 5, 1975, some 13 electric powerplants on the east coast are switching back to more costlier oil, adding as much as $150 million to consumer electric bills in their service areas. Together these conversions also will increase our oil imports by almost 100,000 barrels per day.

Mr. President, I request that the Post article by Thomas O'Toole appear in the RECORD at this point in my remarks.

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

THIRTEEN ELECTRIC PLANTS IN EAST SWITCH BACK TO COSTLIER OIL

(By Thomas O'Toole)

At least half the East Coast electric companies that changed from burning oil to coal during the Arab oil embargo have switched back to the higher-priced oil, adding as much as $150 million, to consumer electric.

What's more, the Federal Energy Administration has appeared powerless to prevent any switchback to oil. The electric companies converting their coal burning plants back to oil acted on orders from the states or because they chose to do so themselves for reasons of convenience.

The Nixon administration and then the Ford administration made strong pleas to electric companies, attempting to get them to burn cheaper domestic coal instead of high-priced imported oil. They achieved some success during and after the embargo, getting some 25 East Coast power plants burning more than 150,000 barrels of oil a day to change to coal.

But in the last six months, at least five East Coast electric companies that made the switch from oil to coal during the embargo have gone back to oil at 13 plants. Together, these switches involve the burning of almost 100,000 barrels of oil a day.

One reason these electric companies switched back to oil was that they lost their state-granted exemptions from clean-air standards to burn coal. Massachusetts, New York, Connecticut, New Jersey and Rhode Island revoked many of the temporary variances that allowed electric companies to burn coal instead of low-sulfur oil.

Another reason is that oil is now available, albeit at $12 a barrel. The states that allowed exemptions from clean-air standards did so only because oil was scarce during the six-month embargo period, which began in October, 1973. The electric companies that may have wanted to stay with coal are no longer able to plead oil shortage as a reason to burn coal.

There is some evidence that electric companies welcome the change back to oil, partly because coal is harder to transport, store and burn. Coal suppliers also insist on three-to-five-year contracts, something electric companies don't want to agree to because they don't know if they'll be allowed to burn coal that long.

Moreover, the electric companies have automatic fuel-adjustment charges to pass on their higher oil costs to consumers. Most states don't fuss too much about the fuel charges because they tax the power companies on gross receipts, meaning they bring in more tax revenues on the higher charges.

"There isn't one state on the East Coast willing to go all out and fight the fuel-adjustment charges," said one federal energy official who asked not to be identified. "They're all making more in tax money out of the fuel adjustment business."

The five East Coast companies that switched from oil to coal and back again to oil are Atlantic City Electric, New England Electric, Northeast Utilities, Orange & Rockland Utilities in suburban New York and Public Service Electric & Gas Co. in New Jersey.

Neither Virginia Electric Power Co. (VEPCO) nor Potomac Electric Power Co. (PEPCO) has been involved in any coal-to-oil changeover. PEPCO's Chalk Point plant was planning to switch from coal to oil at one time, but never did because of the shortage scare during the Arab embargo.

New England Electric is typical of the five companies that switched back to oil at three of its power plants, two in downtown Providence, R.I., and the third in Salem Harbor, Mass. Both places are densely populated cities, where the states were not willing to continue exemptions from clean air standards once the oil embargo was ended.

New England Electric burns more than 25,000 barrels of oil every day at these three plants, which at $12 a barrel costs them about $300,000 a day in fuel costs. When the same plants burned coal, fuel costs were a little more than half that.

In New Jersey, Atlantic City Electric was able to burn coal to generate two-thirds of its electricity during the oil embargo. It has been forced to reconvert to oil at two of its biggest plants, meaning that coal now fuels less than half its electric power instead of two thirds.

The fuel-adjustment charge to Atlantic City customers now averages a little over $8 a month. The average electric bill is now more than $25 a month, almost twice what it was five years ago.

"We figure we pay 32 cents a gallon for oil nowadays," an Atlantic City Electric official said yesterday. "The comparable figures for coal are 21 cents and for nuclear energy the equivalent of four cents a gallon."

Under the Energy and Environmental Coordination Act of 1974, FEA Administrator Frank G. Zarb can order power plants to burn coal instead of oil. So far, Zarb has chosen not to exercise this authority though there are signs that he plans to test that authority soon.

The FEA is in the midst of economic and environmental studies of no fewer than 80 electric plants in the United States, including 13 plants that have switched back to oil after going to coal during the embargo. FEA officials say they'll almost surely recommend that Zarb order some of these 80 plants to use coal.

Zarb's authority to do so runs out at the end of June, but the FEA has requested that Congress extend that authority beyond June. Bills to do so are now in the Senate Public Works Committee and the House Interstate and Foreign Commerce Committee.

However, the Environmental Protection Agency can challenge such an order. And the plant itself can fight the order, if it makes a strong case against coal.

Mr. RANDOLPH. Mr. President, while some of these conversions to oil were on the order of States others were because the utilities chose to do so for reasons of convenience.

Were the Energy Supply and Environmental Coordination Act fully implemented as intended by the Congress last year many of these facilities would still be on coal.

Mr. President, this authority may well expire on June 30, before the first order is issued by the Administrator of the Federal Energy Administration.

Repeatedly I have been assured by Administrator Zarb and his predecessor John Sawhill that this legislation would receive the highest priority, yet the first order has yet to be issued. The Congress even went so far as to provide additional time after orders were issued for the preparation of environmental impact statements. This represented a major policy change for the Congress regarding the implementation of the National Environmental Policy Act.

However, when the oil embargo was lifted the Federal Energy Administration chose to implement the statute in a more conservative manner by preparing a programmatic environmental impact statement prior to issuing any coal conversion orders. This is now scheduled for completion around April 25, 1975.

This approach to the implementation of the statute has been at the expense of a considerable extension of schedule for implementation of the Energy Supply and Environmental Coordination Act.

Now the Federal Energy Administration is still faced with public hearings on proposed prohibition orders which are not scheduled to commence until May 15, 1975. In addition, the agency is faced with the possibility of having to prepare site-specific environmental impact statements for each conversion order during the next 2½ months.

We have, of course, had the judgment of the administration in this matter. Again I am not being critical, but I do not believe, I say to the Senator from Arizona (Mr. FANNIN), who has discussed this matter with me, that there has been the priority in the implementation of the conversion provision that would have been effective and in keeping with the intent of Congress.

I think, however, that in recent months a concerted effort has been made by the Office of Fuel Utilization to achieve the objectives of the bill relating to coal conversion.

I think it would be unfortunate—in fact it would be unwise—should the authority for this program expire before any actual field experience is obtained This experience is needed before Congress can adequately judge the validity of the additional amendments that would be proposed by the administration.

I wish to cooperate with the committee, and the managers of the bill, and I will not discuss the amendment further except to respond to questions, or hopefully, to have their endorsement of the purpose of the amendment.

Mr. FANNIN. Mr. President, I wish to commend the distinguished Senator from West Virginia for sponsoring this amendment, which is a very vital one.

When we are discussing coal utilization, it is a subject that is very dear to the heart of the Senator from West Virginia, who has been a leader in the program to utilize more coal because of its abundance in this Nation of ours.

If we consider what we are up against, and the time element involved, we can recognize the importance of his amendment which does carry through a need that will afford an opportunity for further activity in regard to this program of coal utilization, and in making the necessary efforts in this respect.

I do feel that we have not carried through as rapidly as we should have. We have delayed many programs, especially when we realize how few utilities, for instance, were converted as a result of the desire that was stated both by Congress and the administration, and which did not result in the activity which was anticipated.

So I think it is vital that this amendment be adopted, and that we carry through with the recommendations that have been made by the distinguished Senator from West Virginia.

The distinguished Senator from West Virginia has brought out many times that we have not followed an upward trend in our utilization of coal. We have followed a downward trend.

Just 10 years ago about 23 percent of the energy that was utilized in this great country of ours was from coal. Today it is down to around 18 percent, and we just cannot allow that downward trend to continue.

We have a tremendous amount of coal available in the Nation, and if we look to the future—and that is what is happening now, the Senator's amendment is pointing to the future and making it possible for the program to go forward, a program that is very badly needed.

Mr. RANDOLPH. Mr. President, will my knowledgeable friend yield?

Mr. FANNIN. I would be very pleased.

Mr. RANDOLPH. This amendment is solely for the purpose of extending for a period of not to exceed 6 months the authority of the Administrator of the Federal Energy Administration to issue conversion orders as provided in the Energy Supply and Environmental Coordination Act. It is not to be construed in any way as a broadening of the authority of the FEA Administrator.

Under the Energy Supply and Environmental Coordination Act the Administrator of FEA is authorized to order plants which actually converted from oil to coal after September 15, 1973 to continue to burn coal. In addition, he is authorized to order plants which are presently burning oil but have the capability to switch to coal to cease burning oil and thus force the use of coal.

Such conversion orders can only be issued in accordance with the provision of the act as relates to compliance with the requirements of the Clean Air Act. No conversion order may be issued by the Administrator to a plant which is presently burning coal and wishes to continue to burn coal except where such plant actually converted from oil to coal after September 15, 1973.

The Energy Supply and Environmental Coordination Act was and is an emergency measure. It was intended to ease problems for oil burning powerplants which were required to convert or voluntarily converted from oil to coal. The Congress specifically reserved the policy decision as to how to deal with plants which might at some future date convert from coal to oil in order to comply with the Clean Air Act. The Committee on Public Works will consider this issue in connection with pending Clean Air Act Amendments.

I know that Senator MUSKIE would be interested, as he has indicated, in the extension, with the understanding that I have stated.

Mr. FANNIN. In commending the distinguished Senator for the 6-month period, I bring out that the long-range benefits that will be involved for only a 6-month period certainly are not the extent of what will come about over the period of years, and the energy that will be generated will be of tremendous benefit to people throughout this Nation. So I do feel this amendment is essential. It will give an opportunity to the FEA to go forward with their programing and planning which we discussed earlier. I feel that it is certainly a good addition to the bill, and I am very pleased to commend the Senator and to support the amendment.

Mr. RANDOLPH. The Senator from West Virginia is appreciative of the comments made by the Senator from Arizona.

The PRESIDING OFFICER. Do the Senators yield their time back?

Mr. RANDOLPH. I have no desire to discuss the matter further. I think the acting manager on the part of the majority has studied this with Senator JACKSON, the chairman of the Interior Committee.

Mr. GLENN. That is correct, and the committee feeling on this was there was certainly no objection to it. There was no objection to this extension of time, and I have no further comment on it at this time.

The PRESIDING OFFICER. Is the time yielded back by the Senator from Ohio?

Mr. GLENN. Yes.

Mr. HARRY F. BYRD, JR. Mr. President, will the Senator yield before he yields back the remainder of his time?

Mr. RANDOLPH. Yes.

Mr. HARRY F. BYRD, JR. May I say I am very much impressed with the proposal—I am not speaking now of the proposal just presented by the Senator from West Virginia, but the proposal by the Senator from West Virginia—which was presented and which was passed by the Senate on February 5, 1975, in regard to voluntary conservation.

That is only 2 months old and has hardly had time to succeed in what its sponsor and cosponsors hoped would be the result. But I still think it has great merit, and I am wondering if the Senator from West Virginia does not feel that we, perhaps, should give this voluntary program an opportunity to develop possibly before going into more far-reaching legislation such as the legislation which is before the Senate today.

I might say that neither the President nor Congress has dramatized the importance of the Randolph resolution. I am convinced that if the purpose of the Randolph resolution and the objective of the Randolph resolution are dramatized to the American people that the American people will respond, and we can save by voluntary measures perhaps as much as can be saved by the pending legislation.

I would like to ask my colleague from West Virginia if he would be inclined to comment on that.

Mr. RANDOLPH. The able Senator from Virginia calls to our attention, of course, the programs of voluntary effort in energy conservation which cannot only be made by all the American people, but in all the segments of our industry, in all of the Federal and State and local entities of government.

There is the opportunity. Yes, there is the responsibility to have this voluntary program in motion. The Senator is correct in saying that the resolution which I offered here, which was cosponsored by some 67 Senators, both Republicans and Democrats, did pass unanimously.

Later, the President—although it was not directing him to do something, it was our request to him, to focus attention on this voluntary effort, in fact, to call for a crusade, in a sense, to set aside a period of time for doing it—did so. He made a statement in which he calls for more voluntary action, and he commends the Members of the Senate for the action which we carried in force.

I ask unanimous consent, Mr. President, to include at this point the statement from the President of the United States commenting on what the Senate had done in reference to the passage of that resolution.

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

STATEMENT BY THE PRESIDENT ON VOLUNTARY ENERGY CONSERVATION—NOTING THE PASSAGE OF SENATE RESOLUTION 59

In my State of the Union Message, I outlined a comprehensive program to address the Nation's energy and economic problems. My energy program includes measures to encourage energy conservation, to increase domestic energy production, and to prepare for any future emergency that might result from an oil embargo. I set goals of reducing oil imports by 1 million barrels per day below expected oil imports by 1 million barrels per day below expected levels by the end of 1975 and 2 million barrels per day by 1977—and achieving energy independence by 1985.

I announced administrative actions and legislative proposals which are necessary to achieve these goals. The Nation is now awaiting action by the Congress on my legislative proposals. I am confident that the Congress will move quickly so that we can minimize the adverse economic impact of the outflow of dollars for imported oil and reduce our vulnerability to disruption by another embargo.

While we wait for the Congress to act, I would like to remind the American people that their voluntary actions *can* make an important contribution toward achieving our economic and energy goals. Recently, the Senate of the United States adopted a resolution sponsored by Senator Jennings Randolph of West Virginia and 67 other Senators which calls upon me to proclaim an Energy Conservation Month, during which voluntary actions to conserve energy might be intensified.

I welcome this action by the Senate and join the sponsors of the resolution in urging all Americans to renew their efforts to use energy wisely and more efficiently in their homes, offices, schools, farms, industries, commercial establishments and travel.

The opportunities for voluntary energy

conservation and the benefits of conservation are clear. Last September, I established a goal for Federal Government agencies to hold energy consumption in fiscal year 1975 to levels 15% below 1973. I am pleased to report that, during the first six months of fiscal 1975, the Federal agencies have held consumption approximately 23% below 1973 levels—a savings equivalent to 46 million barrels of oil and a savings in energy costs to Federal taxpayers of $425 million. In addition, the Energy Resources Council is working closely with industry and others to find ways of conserving energy.

The voluntary actions we have taken have made an important contribution and I call upon the leaders of business and industry, state and local governments, and all the American people to renew and intensify their voluntary energy conservation efforts. The Senate has called for designation of a one month period for intensified energy conservation actions. But I am confident that all the Senators who sponsored Senate Resolution 59 will join me in urging all our citizens to make energy conservation a year-round effort.

We know that voluntary actions alone cannot solve our Nation's energy and economic problems. Action by the Congress is needed on the measures I have proposed to increase domestic production and to reduce demand, all of which are essential to the solution of our problem. I trust that Senate Resolution 59 is but the first of the constructive actions that we can expect from the Congress.

Mr. RANDOLPH. To state further my thinking, I am not certain how far we can expect a voluntary program to carry us. We do know that if motor vehicles are operated on highways and roads of the United States up to 55 miles an hour, which is now a Federal law, we can save us an estimated 125,000 barrels of oil every 24 hours.

This is just one of the opportunities and I think also responsibilities of the American people through voluntary means to bring about, frankly, a situation where the imported oil will not cause the deterioration of our pricing policy and also result in shortages .

Mr. HARRY F. BYRD, JR. The pending legislation, title I of the pending legislation, the Standby Emergency Authorities Act, title I is fairly accurately described and I favor title I.

It is title II that gives me concern as to how to vote on this legislation because title II goes a great deal further, of course, than the resolution offered by the distinguished Senator from West Virginia and which I had the privilege to cosponsor.

Mr. RANDOLPH. And the Senator was very helpful in that effort, in his remarks at the time in the Senate.

Mr. HARRY F. BYRD, JR. I thank the Senator.

Mr. RANDOLPH. Yes, sir.

I can understand the concern of the senior Senator from Virginia and his seeming reluctance to think in terms of the legislature in its two parts. I am sure this is a matter of study by many Senators who will be called on to vote either for or against this measure.

Mr. HARRY F. BYRD, JR. I thank the Senator from West Virginia.

I have a great deal of confidence in the American people. I think that the American people will respond in a voluntary way if their leaders in Washington, namely, the administration in Washington and the Congress in Washington, will dramatize the problem and will make it clear to the people the need for conservation, the need for voluntary conservation, and the results that will be required if voluntary conservation is not achieved.

I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. RANDOLPH. Well, I thank my colleague and I yield back my time.

The PRESIDING OFFICER. Who yields time?

Are the Senators prepared to yield back their time?

Mr. GLENN. Yes; we are prepared to yield back the time.

Mr. FANNIN. All time is yielded back.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from West Virginia.

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from Arizona.

AMENDMENT NO. 108

Mr. FANNIN. Mr. President I call up my amendment No. 108.

The PRESIDING OFFICER. The clerk will state the amendment.

The assistant legislative clerk read as follows:

The Senator from Arizona (Mr. FANNIN) proposes an amendment No. 108.

Mr. FANNIN. Mr. President, I would like to amend the amendment and on line 2, in place of "December 31, 1975" insert "March 1, 1976."

The PRESIDING OFFICER. The amendment is so amended.

Mr. FANNIN. I thank the Chair.

The amendment, as amended, is as follows:

On page 97, line 8, delete "June 30, 1976" and insert in lieu thereof "March 1, 1976."

Mr. FANNIN. Mr. President, this is a very simple amendment. It is relating to the mandatory allocation program which would have expired August 31, 1975, and now under my amendment will be extended to March 1, 1976.

Mr. President, it is very evident that this is more than ample time for any consideration to be given to the continuance of this particular program and I understand that the manager of the bill is in agreement and is willing to accept this particular amendment.

Mr. President, I would like for his expression at this time.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. The Senator from Arizona is correct that the committee has agreed, or representatives of the committee, the committee chairman agreed to accept this change of date, thinks it is a good idea, and I think that no further colloquy is necessary on this.

Mr. FANNIN. Mr. President, I would just like to express my appreciation to the distinguished Senator from Ohio for his consideration of the amendment.

I yield back the remainder of my time.

Mr. GLENN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Arizona.

The amendment was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. FANNIN. I thank the Chair.

Mr. President, I ask unanimous consent that the minority views on page 74, section 3 of the committee's report be printed at this point in the RECORD.

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

III. Section 122—"Adequate time" another shirking of congressional responsibility

Section 122 extends the life of the Emergency Petroleum Allocation Act until June 30, 1976. It is to be recalled that this Committee extended the Act last year to August 31, 1975, in S. 3717. The Committee then announced in its report on S. 3717 that—

The purpose of the proposed four month extension, therefore, is to provide adequate time for the new Congress and the Executive Branch to review the Act and make a definitive decision as to its extension for a longer period of time, either in its present or a modified form. The Committee is already aware of a number of proposed amendments to the Act. Other changes will undoubtedly be proposed in the months ahead. The Committee believes that it is too soon to make basic changes in the Act and that proposed changes should be considered next year in light of more extensive experience with the Act. Accordingly, it is proposing a short extension without amendments.

Apparently, the Committee feels that the first eight months of 1975 is not enough time to "review the act".

Several members of the majority and minority requested hearings on the Emergency Petroleum Allocation Act before taking any action to extend it beyond August 31, 1975, or to amend it. It was thought by those making the request that eight months was enough time to act on a bill. The Committee, however, apparently felt that eighteen months would be necessary to review the act, but at the same time felt it was urgent that that act be amended anyway without benefit of hearings.

Our feelings regarding the Emergency Petroleum Allocation Act have not changed since last August when we expressed the following views:

At the request of the Administration, we voted to extend the expiration date of the Emergency Petroleum Allocation Act from February 28, 1975, to June 30, 1975. Our sole purpose for voting to support the four month extension was to provide an additional period of time in which to proceed with an orderly and complete phase out of all price and allocation controls. No other amendments than the mere four month extension were contemplated or agreed upon in conversations between Administration officials and members of this Committee on both sides of the aisle. The Administration position as we understood it, is as follows:

1. The expiration date of the Emergency Petroleum Allocation Act would be extended to June 30, 1975.

2. Between now and that date the Administration should proceed with an orderly total phase out of price and allocation controls to be completed by June 30, 1975. In the immediate future the Administration will give priority attention to developing regulations to remove many of the inequities which have resulted from the Act, including the two tier pricing system for crude oil.

The Emergency Petroleum Allocation Act by its very title was intended to be an *emergency* measure to deal with a temporary petroleum fuels shortage which now has ended. That such was what was contemplated is

clearly borne out by Section 2 of the Act which reads as follows:

SEC. 2. (a) The Congress hereby determines that—

(1) shortages of crude oil, residual fuel oil and refined petroleum products caused by inadequate domestic production, environmental constraints, and the unavailability of imports sufficient to satisfy domestic demand, now exist or are imminent;

(2) such shortages have created or will create severe economic dislocations and hardships, including loss of jobs, closing of factories and businesses, reduction of crop plantings and harvesting, and curtailment of vital public services, including the transportation of food and other essential goods; and

(3) such hardships and dislocations jeopardize the normal flow of commerce and constitute a national energy crisis which is a threat to the public health, safety, and welfare and can be averted or minimized most efficiently and effectively through prompt action by the Executive branch of Government.

(b) The purpose of this Act is to grant the President of the United States and direct him to exercise specific temporary authority to deal with shortages of crude oil, residual fuel oil, and refined petroleum products or dislocations in their national distribution system. The authority granted under this Act shall be exercised for the purpose of minimizing the adverse impacts of such shortages or dislocations on the American people and the domestic economy.

We voted against the bill at the time because we felt that the bill, at best, would only spread shortages around. Additionally, we felt that should the Federal Government intervene in the marketplace by imposing regulations affecting supply and price, no matter how benignly such intervention was intended, unforeseen inequities would result and the shortage would be exascerbated.

The one day of hearings on this bill contained much testimony enumerating and describing the inequities which have resulted from the Act. These remarks plainly show both that the legislation was intended to deal with a petroleum fuels emergency which no longer exists and that the wisdom of federal regulatory intervention in the marketplace even under the then existing fuel shortage was questionable.

To continue to rely upon legislative authority designed to be limited to emergency fuel shortages in times of a reported surplus is unwise and unjust. Accordingly, we support the four months extension of the Act only to insure that the phase out of price and allocation controls will be both complete and orderly.

In retrospect, our primary mistake was in voting for the four months extension in the first place. Had we known that we would be faced with a further extension, without hearings, in the Ninety-Fourth Congress, we would have chosen instead to debate S. 3717 at length on the floor.

The PRESIDING OFFICER. Who yields time?

The bill is open to further amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. JOHNSTON. Mr. President, I have an amendment which I send to the desk.

The assistant legislative clerk proceeded to read the amendment.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of the bill add the following:

Section 4(e) of the Emergency Petroleum Allocation Act of 1973, as amended (87 Stat. 627), is hereby amended by adding a new paragraph 4(e)3 as follows:

"ENCOURAGEMENT OF ENHANCED OIL RECOVERY

"(3)(A) In the event that the price regulation promulgated under subsection (a) of this section provides for more than one price (or manner of determining a price) for a given grade and quality of crude oil produced in a given producing area, the regulation shall provide that the price applicable to 'new oil', as defined in subparagraph (B) of this paragraph, shall be the highest price applicable to the given grade and quality of crude oil produced in the given producing area.

"(B) For the purposes of this paragraph, 'new oil' refers to any crude oil produced from any property in any calendar month, in excess of a percentage, specified in the regulation, of the volume of crude oil produced from that property in the corresponding calendar month of the previous year.

"(C) The percentage specified pursuant to subparagraph (B) of this paragraph shall reflect and take into account the rate of decline in production normally expected from individual oil reservoirs in the absence of enhanced recovery techniques, such as measures to increase the permeability of the reservoir, including acidizing and fracturing, measures to restore reservoir pressure by injection of water, steam or gas, and measures to reduce oil viscosity or capillarity by the introduction of injected substances or heat."

Mr. JOHNSTON. Mr. President, this is an amendment submitted on behalf of myself, Senator LONG, and Senator STONE, the object of which is to encourage secondary and tertiary recovery by giving that incremental amount of oil which is produced by secondary and tertiary recovery the higher price presently allowed under the regulations.

The intent is that if a man is producing oil from a given reservoir this year, let us say in April of this year he produces 100 barrels of oil and he is able to increase that take this year through the use of secondary and tertiary recovery by 50 barrels of oil, then the intent of this amendment is that the regulation shall specify that he receive the higher price, the unregulated price, if you will, of that last 50 barrels of oil.

It is not that oil that he would get anyway, but only that produced by secondary or tertiary recovery, or by what we call in the amendment enhanced recovery techniques.

Mr. President, it is estimated that we have some 40 billion barrels of oil in reserve at present.

It is also estimated that, through these enhanced recovery techniques, an additional 59 billion barrels of oil can be produced in this country. Why are the 59 billion barrels of oil not considered reserve and the 40 billion barrels are considered reserves? For two very simple reasons, Mr. President: The first is scientific or technological. We have not developed all the techniques and all of the means and measures by which we can extract this oil. The second reason, and the more important reason, is purely economic. That is that the lower old oil price is $5.25 a barrel makes it simply not worth it to go in and use these enhanced recovery techniques—acidizing, all of these measures designed to enhance the permeability, the pressure, or the recovery from a given known reservoir.

Mr. President, there are literally thousands of reservoirs around this country that are not being produced at present because they are considered to be depleted under the present economic structure. That is to say even though maybe 60 percent of the oil that was originally there is still there, it is just not worth it to go in and get it out at $5.25 a barrel. But at the higher oil price, at, say, $11.80 a barrel, it immediately makes it economically feasible to go in and produce that oil.

As far as the technique followed in this amendment is concerned let me explain that for the record. The amendment creates a new category of oil called new oil. It says for the purpose of this paragraph that new oil shall be that oil produced this month which is in excess of the amount of oil produced from that reservoir in the same month in the previous year. The percentage is to be established by regulation by the FEA Administrator, and the percentage is to reflect the enhanced recovery techniques. I should say it is to reflect that decline in production which you would otherwise have without the enhanced recovery techniques.

A simple example is this: You have a reservoir that, in April of last year, produced 100 barrels of oil. The FEA regulations say that the normal decline in that reservoir would be 12 percent, so that a normal decline would give you only 88 barrels of oil this year. But in the meantime you undertake an enhanced recovery technique—let us say acidizing of the well, or let us say carbonated water flood. That gives you 150 barrels in this month of this year. Then you would be entitled to the difference between the 150 barrels that you produced and the 88 barrels that you would have produced. That difference is deregulated at the new price or at the higher price. The old 88 barrels of oil would still get the old oil price because we do not want to give anyone a windfall; we do not want to give him the higher oil price for oil that he would have gotten anyway. But what we very much want to do, Mr. President, is to encourage him to make that expenditure and to take that chance.

When I say take that chance, I mean that the facts are that secondary and tertiary recovery does not always work. It is not one of those things where you can say, "I will put a water flood in" or "I will put in one of these tertiary recovery techniques" and know you will recover it. It does not always work. In fact, a higher percentage of the time it does not work. It is very expensive and sometimes it does not work. It is almost like drilling a wildcat well. You need to encourage the taking of that chance and the making of that expenditure.

Mr. President, we have talked a lot about energy independence in this country. I have been on the Interior and Insular Affairs Committee which has been right in the eye of the hurricane as far as developing an energy policy in this country. But let us be frank and let us be honest. That is that we have not yet developed an energy policy. We have yet to hear from the White House, or, I have to admit, from the Congress, a coherent policy that is designed to give us energy independence. We have yet to take those steps, those tough steps, which are going to increase the supply of oil or increase the supply of energy.

As a matter of fact, since the Arab oil embargo was put on in 1973 and we became aware of the dimensions of this problem, how really serious it was to this country to be dependent on our sources of energy and we all began discussing this matter, we have actually gone down in oil production by about 1 million barrels a day. From October 1973 tc October 1974 we went down 900,000 barrels of oil a day. We have not taken any steps since that are designed to increase that production rather than decrease it.

Yes, we did away with windfall profits by repealing the depletion allowance, and we debated that here at great length. There are two views on that. We have done a lot of other things to prevent windfalls, to prevent ripoffs to the consumer, to prevent other things. But it is time we took rational action, rational action that the consumer can afford, that the country can afford, that will not jolt the economy, but which will produce an incremental barrel of oil.

That is precisely what this amendment is designed to do. I sincerely hope the acting floor manager will accept this amendment.

Mr. STONE. Will the Senator yield to me for a few minutes?

Mr. JOHNSTON. I will yield to my distinguished coauthor from Florida.

Mr. STONE. Mr. President, the Senator from Louisiana, in fact both Senators from Louisiana, and the junior Senator from Florida, are interested in the ultimate consumer price of oil, both at the gas pump and in connection with the payment of people's electric bills.

There is only one way that those prices will ever go down, and that is with an increase in supply. All the conservation in the world will not produce a lower price if we do not at the same time gain some extra supply, particularly in an economy such as that of the United States.

This Senator, the junior Senator from Florida, has consistenly voted against across-the-board deregulation, both today and in the past. This Senator, the junior Senator from Florida, favors this bill and will vote for this bill as a good conservation bill regardless of whether this amendment passes or fails. But this Senator is very concerned at the insufficient attention to that mechanism that we all know works. It is called incentive.

If we provide an incentive to induce the producers of oil and gas in this Nation—the only Nation where we actually can control the supply under our flag—to allow them to cover the known extra costs of producing oil from older pools, then we have every right to expect that we will get that extra barrel of oil that we need to increase the supply and we will have a chance to get the cost of oil and energy down in this country.

If it costs more than $5.25 a barrel to steam flood, to water flood, to detergent flood or to utilize a technique not now out of the laboratories but which can be used, but which costs more than $5.25 a barrel, then you know that under our system of free enterprise nobody is going to put forth $6 a barrel of cost to get $5.25 a barrel when they sell it.

The only way we can get extra oil is to deregulate the extra oil. The Senator from Florida is not willing to deregulate all old oil, but extra oil which may not otherwise be produced is a fit candidate for incentives. This Senator hopes that the Senate will see fit to adopt this good amendment as part of a worthwhile bill that not only will conserve on demand but also will increase supply.

The PRESIDING OFFICER. Who yields time?

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

Mr. GLENN. I yield.

Mr. JACKSON. Mr. President, I will be very brief.

I think there is a great deal of merit in what the Senator is attempting here. As I look down the road, we will have to provide for some kind of standard by which we will in turn provide the inducements and the assurances necessary to go after the higher-priced oil. But I think it would be most unfortunate to proceed to legislate on the floor of the Senate while we are not sure of the impact of the legislation because we do not know what the Federal Energy Administration would in turn be able to do in promulgating price regulations under the legislation.

I point out that we will have to have hearings, and hearings are scheduled for April 28. I am sympathetic with a proper formula that will not have loopholes, and I am not saying that there is a loophole here. I am saying that I really do not know what all the implications might be in connection with the pending amendment. I think it is unwise to proceed at this time to provide for a special pricing in this one area, when we do not have before us all the facts.

In connection with the Mandatory Allocation Act, our committee will be getting into this matter in some detail. I say to the authors that I, for one, will give sympathetic consideration to working out the kind of pricing program that truly will provide a reasonable incentive to go after oil that is far more costly to produce than that which is recoverable at average cost.

This is only commonsense. But in attempting to embark precipitously today on a new program, we run the risk of not knowing what we are doing. I hope that the hearings provide us a more precise and a more reliable basis for dealing with this problem.

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

Mr. JACKSON. I yield.

Mr. JOHNSTON. I appreciate the Senator's attitude. The distinguished chairman of the Committee on Interior and Insular Affairs has taken the lead in energy matters and has provided many useful measures in this area. However, as I understand the Senator's comments about this amendment, the Senator is saying that, on its face, the amendment appears to be good; that the objective is worthwhile; that there is no apparent deficiency in the amendment other than there has not been sufficient time to study it; that if it turns out to be what it appears to be, he probably would be for it later on.

Is that correct?

Mr. JACKSON. Let me put it this way: I think that, in general, that is true. I am for a recognition of price incentives to encourage the maximum amount of drilling in the most difficult areas particularly as it truly pertains to new technology and actual additional costs. This is not a mandatory allocation amendment; it is not a pricing bill. I want to go into it in some detail, and we will go into this matter in committee.

I did support the stripper well amendment, when we first addressed that particular problem. On reflection, some mistakes were made in connection with it, but it made sense at that time to take care of the stripper well operator who produces 10 barrels per day or less per well.

I say to the Senator that I am sympathetic, and I shall do everything I can to act expeditiously. I think that a clear majority of the committee would feel that way. But I really would like to know what we are doing under his amendment and I am concerned that we are dealing with just one part of the pricing problem.

We need to seek new pricing formula, now that the depletion law has been repealed, except as it pertains to the so-called independents who produce 2,000 barrels a day or less—and eventually down to 1,000 barrels.

I would like to see a complete review of the pricing structure. I would like to see the committee make recommendations to the Committee on Finance as to new tax incentives and other incentives to form the capital we need for energy discovery and production. It has been estimated that between now and 1985, we will need a trillion and a half dollars for new capital investment in the energy area. In the overall capital needs, we are talking of a figure of $5 trillion. Last year, the total amount spent on new plant and equipment investment was about $105 billion to $115 billion. That was for all purposes in the United States. About 45 percent of that was in the overall energy area. But now, in energy alone, we are talking of a trillion and a half dollars in new investment. The energy business was capital-intensive before, but it will become the most capital-intensive industry the world has ever seen. The reason, of course, is the cost of developing alternative sources and producing in the frontier areas.

I want to make clear my views. I hope the Senator will defer this matter. I give him the assurance that we will go into it

very carefully in trying to resolve not only this particular problem but also others in the pricing area.

Mr. JOHNSTON. I agree with the distinguished chairman in everything he has said except as to the question of delay.

In effect, what the chairman has said—and I agree with it; he has said it well—is that we need more incentive, we need to encourage new source, we need to get the capital investment it is going to take to bring forth those new sources. We are in agreement. We both agree that the objective of this amendment is good, that the amendment is calculated to bring forth those sources.

The only question is this: Can we be absolutely sure that this amendment would do it? Can we be more sure by waiting, by having hearings? That, I think, is essentially the question.

If this amendment is defective for any reason, it can be changed after these hearings, which I think we should have, anyway. On the other hand, this amendment, I submit, can do no harm; because all it will do is to give incentives, pricewise, to that barrel of oil that we would not otherwise get except for secondary and tertiary recovery.

There can be no harm in getting more oil. It may not bring forth more oil, for whatever reason; and if it does not, it has not cost the taxpayer 1 copper cent, and it has not cost the consumer 1 copper cent. The only way in which this can cost more money is to bring forth more oil, and it is more money that is paid to the American producer, not to the Arabs.

Mr. STONE. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON. I will yield after I make one comment.

By delaying this, we are making a decision. It is not that we are deferring that decision. We are making a decision, and that decision is that the price of secondary and tertiary recovery oil will be kept at $5.25. That is a decision in itself. Now, given the decision between keeping it at $5.25, when it is expensive, and letting it go to a market price, when we might be likely to get some of that secondary and tertiary recovery, I say let us err on the side of production, let us err on the side of additional sources, and come in and have those hearings we both think we should have.

Mr. JACKSON. Will the Senator yield?

Mr. JOHNSTON. Yes, I yield.

Mr. JACKSON. On the one hand, when we had the price rollback question before us, the argument was that by decontrolling the price of new oil, we would get great additional quantities of new oil. We have not been getting that additional new oil, as the Senator knows.

Mr. JOHNSTON. But if the Senator will yield, the amount of wildcats, the amount of money invested in exploration has dramatically gone up. In my part of the country, it has just about doubled.

Mr. JACKSON. Let me recall that the focal point of the debate a year ago was that if we decontrolled it, in 18 months, we would be producing more oil. Instead, we are producing less. That is why we need to look at this whole price structure.

The arbitrary increase—I do not want to rehash, over and over again, what we have covered so many times, but when we went to $5.25 a barrel, no one in the FEA was able to explain how they arrived at that $5.25 figure. We have the National Petroleum Council, and I think the American Petroleum Institute figures on what price they needed for incentives. We have exceeded those target figures with no added production.

If we are going to talk about pricing, I think some prices should be increased, and some should be held back.

We have the question of decontrolling the old oil, which would be the biggest windfall in history, going from $5.25 a barrel, and if we include the impact of the tariff, it would go to $14.40.

Mr. JOHNSTON. This does not do that. This keeps the old oil at the old oil price.

Mr. JACKSON. I understand that, but I am saying we should look at the whole price structure, that is all.

I have the highest regard for the Senator from Louisiana and I hope that this matter will either be deferred or voted down.

Mr. STONE. Will the Senator yield?

Mr. FANNIN. Will the Senator yield for just a question?

Mr. JACKSON. Yes.

Mr. FANNIN. The Senator says this does not amend the act. In other words, the bill does not? Is that what I understand him to say?

Mr. JACKSON. No, I did not say that.

Mr. FANNIN. What the Senator was talking about does not affect price controls?

Mr. JACKSON. We do extend the mandatory allocations.

Mr. FANNIN. And 1.3 is the limitation on raising or removing petroleum price controls.

Mr. JACKSON. We do extend the Mandatory Allocations Act.

Mr. FANNIN. And the limitation on eliminating price controls, too.

Mr. JACKSON. Well, we do not have a freeze in this bill as yet. There may be an amendment offered to prohibit the President from decontrolling the old oil.

Mr. FANNIN. I am trying to arrive at why the distinguished manager of the bill would oppose the amendment of the Senator from Louisiana when its encouragement would enhance oil recovery, and the whole gist of the bill—if the Senator will give me a chance to say here what the intent of the bill is. It is to provide standby authority to assure that the essential energy needs of the United States are met, to reduce reliance on oil imports, and so on. This amendment is to do just that.

Mr. JACKSON. I would say to the Senator, we have not had hearings on this particular issue. We have announced that there will be hearings April 28 on the Mandatory Allocations Act and the pricing and allocation question in some detail. We have agreed already to limit the date on the act's extention to March 1. I repeat that at the April 28 hearings, we shall go into the whole question of pricing.

Mr. FANNIN. The Senator realizes that our goal is, at the earliest time possible, to increase the production of oil. He has talked about the fact that we have not had the increased production that we anticipated.

Mr. JACKSON. The Senator will remember that when we debated it, we were told over and over again, a year ago last month, that with the overriding of the veto and turning down the price rollback, to decontrol the old oil, we would get significant additional domestic production.

Mr. FANNIN. I do not think that is what the debate was.

Mr. JACKSON. I shall read the record back.

Mr. FANNIN. I should like to read the record back to the distinguished Senator, because I am sure he will remember very well that we said the curve would not continue downward. That is one of the greatest problems we have had. We have leveled off, and we are very hopeful, under amendments such as the one offered by the distinguished Senator from Louisiana, that we will be able to do more in that regard. In fact, it is our greatest potential, I think the Senator will agree.

We have had testimony before our committee many times on tertiary and secondary recovery. I think the Senator will agree on that.

Mr. JACKSON. Mr. President, I wish to put the following paper in the RECORD, just for the record.

Here is a summary on various studies on pricing, which I referred to previously. Here is the Federal Energy Office, January 1974:

Federal Energy Office (January 1974):

". . . The long term supply price of bringing in the alternate sources of energy in this country, as well as drilling the Outer Continental Shelf and the North Slope . . . is $7 a barrel, current 1973 dollars."

Department of the Treasury (December, 1973):

"No one knows exactly what the long-term supply price is, as no one can predict the future that clearly. Our best estimate is that it would be in the neighborhood of $7 per barrel within the next few years."

Mr. President, the price of the old controlled oil is now over $11 a barrel.

The Independent Petroleum Association of America, 1973 projections—this is when we had this up—

Independent Petroleum Association of America (1973 projections):

"In terms of constant 1973 dollars . . . an average price of about $6.65 per barrel for crude oil . . . would be required over the long run to achieve 85% self-sufficiency in oil and gas by 1980."

National Petroleum Council Oil and Gas Availability (Dec. 1973):

"For maximum attainable self-sufficiency by 1980, average revenue required per barrel of crude is shown on the following table for different rates of return."

Oil and Gas Journal (September 17, 1973):

"The price outlook for domestic crude thus has to be rated promising . . . The new prices make investment attractive in the new equipment and services to rejuvenate marginal wells . . . Risks are becoming worth taking."

Petroleum Independent (November 1973):

"There's no doubt that prospects are for

increased drilling. Everybody I know is planning on it. With new oil priced from $5.30 to $6.00 per barrel, there's incentive now to go looking for oil."

Mr. President, I think these quotes from the industry itself and the table set out on pricing as a means of providing the necessary incentive, even making adjustments for inflation, speak for themselves.

I ask unanimous consent to have them printed in the RECORD.

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

SUMMARY OF RECENT PRICE STUDIES

A number of recent studies have focused on determining the long run supply price of crude oil needed to elicit adequate domestic supplies of oil. A summary of the findings of these studies is given below:

Federal Energy Office (January 1974): ". . . The long term supply price of bringing in the alternate sources of energy in this country, as well as drilling the Outer Continental Shelf and the North Slope . . . is $7 a barrel, current 1973 dollars."

Department of the Treasury (December, 1973): "No one knows exactly what the long-term supply price is, as no one can predict the future that clearly. Our best estimate is that it would be in the neighborhood of $7 per barrel within the next few years."

Independent Petroleum Association of America (1973 projections): "In terms of constant 1973 dollars . . . an average price of about $6.65 per barrel for crude oil . . . would be required over the long run to achieve 85% self-sufficiency in oil and gas by 1980."

National Petroleum Council Oil and Gas Availability (Dec. 1973): For maximum attainable self sufficiency by 1980, average revenue required per barrel of crude is shown on the following table for different rates of return.

TABLE 653.—AVERAGE UNIT REVENUE REQUIRED PER BARREL OF CRUDE OIL[1]

[In dollars per barrel][2]

	Rate of return				
	10 percent	12.5 percent	15 percent	17.5 percent	20 percent[3]
1971	2.739	2.981	3.223	3.465	3.705
1972	2.819	3.066	3.315	3.563	3.812
1973	2.855	3.112	3.370	3.623	3.826
1974	2.941	3.214	3.486	3.759	4.031
1975	3.168	3.359	3.650	3.941	4.232
1976	3.216	3.530	3.844	4.158	4.472
1977	3.398	3.738	4.078	4.413	4.758
1978	3.612	3.978	4.344	4.711	5.077
1979	3.815	4.208	4.601	4.995	5.389
1980	4.056	4.476	4.896	5.317	5.737
1981	4.288	4.738	5.188	5.639	6.087
1982	4.553	5.037	5.520	6.004	6.487
1983	4.864	5.231	5.899	6.417	6.935
1984	5.151	5.707	6.262	6.818	7.374
1985	5.500	6.093	6.687	7.280	7.873

[1] Based on economics for lower 48 States and South Alaska.
[2] Constant 1970 dollars.
[3] All rates of return are annual book return on average net fixed assets.

Oil and Gas Journal (September 17, 1973): "The price outlook for domestic crude thus has to be rated promising . . . The new prices make investment attractive in the new equipment and services to rejuvenate marginal wells . . . Risks are becoming worth taking."

Petroleum Independent (November 1973): "There's no doubt that prospects are for increased drilling. Everybody I know is planning on it. With new oil priced from $5.30 to $6.00 per barrel, there's incentive now to go looking for oil."

Mr. STONE. Mr. President, I think the Senator from Washington, our distinguished chairman, was momentarily off the floor when I made my few remarks in connection with the position of the Senator from Florida against general deregulation and in favor of this particular version. What is the difference in rationale? The difference is that this amendment recognizes the difference in cost in recovering the oil as opposed to investment incentive or price incentive per se, or profit incentive per se. This amendment reflects a simple truth: If we do not let a producer recover what it costs him to produce, he will not produce that extra barrel of oil.

I think it is very much in the interest of the consumers of this country to get the extra barrels of oil we would not otherwise get so that, by extra supply we can get the prices down—not merely this theoretical concept of independence of foreign sources, but simply that grand old, unbeatable, unattackable truth of supply and demand and that we will not have any supply if we cannot recover the cost of producing the supply.

I direct the attention of the managers of the bill—of which I am one; I am a sponsor of this measure—to paragraph (c), which mandates that the regulation to be set shall—that means must—reflect the rate of decline in production, the cost, and the situation which would have taken place in the absence of these enhanced recovery techniques, and then they are listed.

That is the purpose of this regulation. So it could not be just a free from regulation amendment, to deregulate oil out of existing old oil pools per se.

I again submit that neither by the staff analysis nor by the analysis of the floor managers of the bill do we have any loopholes built into this regulation. And, now that the chairman is back on the floor——

Mr. JACKSON. I am sorry; I had an urgent phone call.

Mr. STONE. No problem. No problem at all. I just direct my chairman's attention to paragraph (c) of this amendment, which requires that the regulation shall reflect both the rate of decline in the old oil pool and the added costs of the secondary and tertiary recovery techniques.

In effect, Mr. President, what I am trying to do by supporting this bill is cover the extra costs of recovering oil from old pools, considering the geology of the old pool, so that by recovering those costs we get the extra barrels of oil that we would not get otherwise, and again, in closing, I repeat that this Senator has voted against deregulation in general and as a concept, but not in this circumstance.

Mr. JACKSON. Mr. President, let me respond by saying that I have great respect for both Senators, and I know specifically that the Senator from Florida has taken a strong stand on deregulation, whether it is the price of gas or the price of oil.

The Senator mentioned paragraph (b). My concern is to what extent we want to delegate this authority, and to what extent we should strengthen the amendment by including statutory safeguards, as distinguished from the promulgation of regulations.

What we are really doing here, and let us be candid about it, is expanding the stripper well concept to all oil production. That is what, in effect, is involved. We are providing some guidelines, but I am——

Mr. STONE. Mr. President, will the Senator yield for a question?

Mr. JACKSON. Yes.

Mr. STONE. Is it not the case that, as to stripper wells or any wells, what this amendment would do is cover the extra cost of recovery, from either the new oil well or the old well? In this case, we are covering the old well. They need the money to cover the cost of producing that extra barrel of oil, when we need that extra barrel so badly.

Mr. JACKSON. I would feel better about this amendment if we were dealing with a total pricing package, rather than continuing to allow a price for uncontrolled oil that is beyond, in my judgment, all conscience. For example, for every new barrel discovered, we deregulate an old barrel. We ought to address ourselves to that question, and that is not addressed in this proposal.

Mr. STONE. Will the Senator yield further?

Mr. JACKSON. I yield.

Mr. STONE. This is not a double dip amendment at all. It reflects strictly the cost. If the distinguished chairman would offer further amendments to this bill with regard to the double dipping, he would probably have the support of the junior Senator from Florida. But the point is that if we are to produce extra oil compared to the previous year, we will be producing oil we would not otherwise get, and most of that is of the type that has to be removed by either water flooding, steam flooding, or other techniques that cost more.

Mr. JACKSON. What I am saying is that it would be wiser to look at the whole picture of oil production and to examine those areas where there ought to be an adjustment in price, and those areas where there ought to be a rollback. That is why I want to go into the whole question in connection with the review I said we would do on mandatory allocations.

Mr. STONE. Mr. President, will the distinguished Senator yield?

Mr. JACKSON. I yield.

Mr. STONE. This junior Senator graduated in a legislature in which the opponents of good legislation were constantly telling us Democrats, "Why don't we do a total picture, a total review?" The word "total" finally began to grate on me, because if we had a decent proposal and enough votes to pass that proposal, why not pass it and go on to the next?

Of course, we ought to do a total review of oil production, and when we get to it, we will all pitch in; but if we have a decent concept, with no loopholes, why not proceed? Two things are better than one, but right now we have one right in front of us; let us do one.

Mr. JACKSON. Would the Senator be willing to accept an amendment to roll back the price of so-called new oil, which is now deregulated, and also eliminate the deregulation of an old barrel for every new barrel, and in addition give

consideration to the price being set at $7.09?

Mr. STONE. I have introduced a bill on a similar subject, which would set a ceiling price of $9.50 at the wellhead, both foreign and domestic, and a floor to be set after hearings. That would be a part of the review that the chairman has promised the Senator from Louisiana, this Senator, and others.

In the case of the proffer that the Senator has just made, if it were properly worded I would surely be interested in the debate that would ensue on both sides as to what a consensus would be.

Mr. JACKSON. I think a condition precedent is the rollback on some of these prices, before we talk about pushing prices up. That is what concerns me.

Mr. STONE. I think a ceiling price is valid, a good ceiling price, and I think if we had a ceiling price we might be able to get rid of some of the bureaucracy that costs and does not produce. I agree with that approach.

Mr. JACKSON. I appreciate that.

Mr. STONE. But nevertheless, as long as it seems to this Senator that it costs more to produce by secondary and tertiary methods from an old field—and that is where the secondary and tertiary recovery is done, in the old fields—than they can get for the oil, we are not going to get those extra barrels of oil.

Another thing that concerns me: This Senator really believes that the pressure is on OPEC, that there is a chance to get a reduction in the world gouge of oil prices, and that through recession, this Nation and other developed nations have imposed their own conservation program, which is beginning to really press the foreign oil producers.

If we can add to that pressure of our own economic failures the pressure of some increased supplies, and even a reasonable yardstick that will forecast extra supplies, there is every chance that we can, if not break the cartel as a cartel, at least get the price down to where we can afford to import and pay for oil.

That is another reason why I think that this proposal can help.

Mr. JACKSON. I would feel a lot better, too, if we had taken the steps—and we have not taken them yet; they have been reported from the committee—to make certain that the President will not be able to decontrol the old oil price on May 1. That is hanging over our heads like a Sword of Damocles.

Mr. STONE. This Senator agrees with that completely.

Mr. JACKSON. I know that, and I respect the Senator completely, as he knows, in the statements that he has made.

I think what we have done here is discuss various pricing problems. That is all the more reason why we want to consider the pricing situation as one package. What concerns me is that the big push is on to decontrol rather than to try to provide some pricing arrangements that will give an incentive for production.

I would hope that we would not do it on a piecemeal basis.

The PRESIDING OFFICER. Who yields time?

Mr. GLENN. I would add only a couple of comments to those of the distinguished Senator from Washington which he has already made.

I think, with regard to statutory standards, those particular remarks strike home with me in that too often we delegate, I think, many things to an agency, and then come back later on commenting about how we do not like what that agency particularly did.

Mr. JOHNSTON. Mr. President, will the Senator yield at that point?

Mr. GLENN. Certainly.

Mr. JOHNSTON. Did not the Senator sponsor legislation on conservation where he delegated the conservation standards to the President in this very bill?

Mr. GLENN. We have very many times certainly, and that was one of them, I think, that we would like to have had a lot more detail on than we did.

Mr. JOHNSTON. Is that not precisely the same point or why is that more appropriate for regulation than this, for statutory regulation?

Mr. GLENN. The Senator from Louisiana makes a very good point. I think all of these things should be subject to congressional review. I think the amendment to which he refers, I believe, was subject to review.

Mr. JOHNSTON. Does the Senator not have an amendment providing also for FEA regulation for the maximum price of domestic crude oil? Is that not the next amendment to come up right after this?

Mr. GLENN. I do not know that that is coming up next. That is a little different. We can get into a discussion of that later on. That one is in a different consideration than this though where there would be regulations proposed under——

Mr. JOHNSTON. But regulations, I mean, without getting into the substance of it, the next amendment or one at the desk, the one following and the one at the desk, provide for a method of regulation.

Mr. GLENN. I believe if the Senator goes into the amendment that I have and will be calling up some time either today or tomorrow, if this bill carries over to tomorrow, he would find this is very clearcut, and will be exactly the type of situation I am talking about, where there would be little regulation necessary under the amendment I propose.

What I am proposing in that amendment would be a situation where the international cartel price, plus the tariff price that, the tariff additive that, the President might put on would not be permitted to become the domestic price in this country, and that is very clearcut and would require practically no regulation. It is a different situation entirely.

Let me say I am very much for what the Senator from Louisiana and the Senator from Florida are trying to do with this bill. I think any efforts that can be made to try to get maximum production out of particularly old fields and fields down to the stripper level of the 10- or 12-barrel-a-day capability, anything we can do to make sure that we get maximum production out of these I am for, and where a lot of effort is required going into secondary and tertiary efforts in existing fields where expenditures are made and a lot of effort is put into that, I can see no reason why that should not be treated as new oil, and that is basically what the Senator is trying to do. So I am for the principle.

However, I do share my committee chairman's views that I would like to see all aspects of this thing looked into.

Mr. JOHNSTON. Mr. President, if the Senator will yield, I think the Senator is demonstrating very well the difficulty of being an assistant floor manager. Having sat in that seat myself before, and having had to defend things I really did not believe in, and voting against amendments that I thought were good amendments, I have great sympathy for the Senator because he does it very well.

Mr. GLENN. If the Senator will yield for a moment, I am not stating things here just in support of my committee chairman that I do not believe in. Do not get me wrong. I would like to see this looked into more.

Mr. JOHNSTON. If the Senator will yield further, actually the wording of this amendment providing for the regulation came from what I consider to be an outstanding staff member of the Interior Committee. I think we have got the best and the brightest staff on Interior, perhaps, well, as good as any committee in the whole Congress, and I had it drawn up not to provide really for the regulation but to just put it in terms of secondary and tertiary recovery.

Mr. GLENN. If the Senator will yield, I wish it was in those terms, because I think those are terms which have become common enough during this whole energy discussion so that secondary and tertiary recovery techniques are understood far better than the language of paragraph (c) where is says:

> This paragraph shall reflect and take into account the rate of decline in production normally expected.

I think these are words that are not as straightforward and as reliably understood these days by most people dealing with energy as are secondary and tertiary recovery techniques.

Mr. STONE. Mr. President, will the Senator yield for one question?

Mr. GLENN. Certainly.

Mr. STONE. Would the Senator recognize the fact that that extra provision that was put in really by our own staff was in order not to reward as new oil that which could have been pumped out of those old fields anyway; but that by building in the safeguard of looking at the geologic age of these pools and the other capabilities normally of the pools, you cannot move out as new oil that which could have otherwise come out as old oil. That is the purpose of it, and that is why only the technicians of an executive branch could impose—and it would have to be mathematical and geophysical, and in other terms, standards in order to safeguard against that.

Mr. GLENN. If the Senator from Florida will yield, I am glad we are having this little colloquy back and forth then because the language of the bill did not exactly reflect what the Senator said they were trying to reflect here. I am glad to

read this into the legislative history of the discussion here so that it will be part of the RECORD, because I think it would have been much more clear to me had that been stated as part of this bill here.

I say once again I am very much for what the Senator is trying to do here, because I think this will go a long way toward helping get new production out of some of the old fields that might otherwise be lost. So I am for that very much.

But I would like to have some of the language clarified. For instance, "reflect and take into account the rate of"—those are very nebulous words here, and I wish the Senator could use secondary and tertiary.

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

The language in paragraph (c) is to allow oil to be treated as new oil that which would not normally be pumped as old oil, and which would not normally be pumped at all, because it costs more to take it out of there than the normal gravity techniques would allow, and these are words of art that our staff proposed as the best way to reflect that.

Furthermore, is it not the case that instead of simply saying to the executive branch:

> Promulgate for us a regulation so that the new techniques that are more costly to get oil out will be treated as new oil.

And instead of that are we not providing ample yardsticks by which the regulation must—it is not may, it is not can, but it must—reflect, because the word is "shall," the normal decline in production from the old pools, and the techniques of secondary and tertiary recovery?

Mr. GLENN. If the Senator from Florida will yield for a moment here, let me add something that will clarify this. This was taken up in private conversation with the Senator from Louisiana, and I think it indicates where most Members of the Senate would probably like to have this clarified just a bit.

For instance, we have an old field, perhaps it was not producing last year, it was capped for whatever reasons; it was under a regulation of the Texas Railroad Commission or for whatever, but it was capped, and a nonproducing field, and during the period, as outlined here for last year, where there would be a time period, taking the comparable months a year ago, I would presume that this would have to be interpreted as meaning that a field like that, under production coming up now, would not all be considered as new oil when it was just an inactive field a year ago.

Mr. JOHNSTON. That is correct.

Mr. GLENN. Let us add to the legislative discussion.

Mr. JOHNSTON. That is correct; that is the intent of the amendment. The regulation would be drawn so as to reflect no new oil price for oil that was simply being capped and kept in the reservoir and not being produced. That would not be eligible for the new oil price, but only that incremental barrel obtained by the enhanced recovery techniques or, to use the more commonly understood phrase, secondary and tertiary recovery.

Mr. GLENN. Those are the types of things I was talking about when I referred to the feeling that we could probably do better on statutory standards here by talking these things out and making a part of it—I repeat I am very much for what the Senator intends to do.

Mr. JOHNSTON. I would say to the distinguished Senator from Ohio I think the amendment is carefully and well-drawn. It is reinforced by this legislative history, and if, indeed, there are any bugs in it—and I do not think there are, because it has been drafted, redrafted by Interior staff—but if there are any bugs in it, this bill has a long matriculation to go through the legislative processes before it becomes law.

It will go to the House and receive committee hearings there and then go to conference. It can receive a great deal of scrutiny.

After all, we wrote a bill here on the floor of the Senate providing for over a $30 billion tax cut and we felt no hesitation in doing so at all. The need of the country demanded it, we acted, and we acted then.

Mr. GLENN. Some of us did feel hesitation.

Mr. JOHNSTON. Some of us did about some parts of it, but the Senate itself did not feel hesitation about moving.

I submit we need to move on this business of additional energy and that the appropriate way to move on this is to vote this amendment in and if there are any bugs—and I do not think there are—let us work them out later on.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. GLENN. If the Senator will yield for a comment in support of the situation here, I might add that the amendment does incorporate an approach that has been advocated by Mr. Schultz of the Brookings Institution, and some others, and would provide a means of eventually working our way around phasing out the two-tier system which many people agreed is of a most unfair type system, or has problems that are tantamount to making some of it unworkable, almost, and this would provide an opening door to that which might have a more constructive part on this, more than what we have now.

Mr. JOHNSTON. The Senator is persuading me.

The PRESIDING OFFICER. Who yields time?

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

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Louisiana. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. MAGNUSON), the Senator from Idaho (Mr. CHURCH), and the Senator from Alaska (Mr. GRAVEL), are necessarily absent.

I further announce that the Senator from South Dakota (Mr. MCGOVERN), is absent on official business.

I also announce that the Senator from Montana (Mr. METCALF), is absent because of death in the family.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON), would vote "nay".

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Hawaii (Mr. FONG), the Senator from Ohio (Mr. TAFT), and the Senator from Connecticut (Mr. WEICKER), are necessarily absent.

The result was announced—yeas 42, nays 47, as follows:

[Rollcall Vote No. 125 Leg.]

YEAS—42

Allen	Fannin	Nunn
Bartlett	Garn	Packwood
Beall	Goldwater	Pearson
Bellmon	Griffin	Randolph
Bentsen	Hansen	Scott, William L.
Brock	Helms	Sparkman
Buckley	Hruska	Stennis
Burdick	Laxalt	Stevens
Byrd, Harry F., Jr.	Long	Stone
Byrd, Robert C.	Mathias	Thurmond
Curtis	McClellan	Tower
Dole	McClure	Tunney
Domenici	McGee	Young
Eastland	McIntyre	
	Montoya	

NAYS—47

Abourezk	Hartke	Muskie
Bayh	Haskell	Nelson
Biden	Hatfield	Pastore
Brooke	Hathaway	Pell
Bumpers	Hollings	Percy
Cannon	Huddleston	Proxmire
Case	Humphrey	Ribicoff
Chiles	Jackson	Roth
Clark	Javits	Schweiker
Cranston	Johnston	Scott, Hugh
Culver	Kennedy	Stafford
Eagleton	Leahy	Stevenson
Ford	Mansfield	Symington
Glenn	Mondale	Talmadge
Hart, Gary W.	Morgan	Williams
Hart, Philip A.	Moss	

NOT VOTING—10

Baker	Inouye	Taft
Church	Magnuson	Weicker
Fong	McGovern	
Gravel	Metcalf	

So Mr. JOHNSTON'S amendment was rejected.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona is recognized.

Mr. FANNIN. Mr. President, the Senator from Louisiana wanted to have the privilege of a motion. I yield for that purpose, without losing my right to the floor.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for that purpose.

Mr. ROBERT C. BYRD. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order. The aisles will be cleared, and Senators will be seated. The Chair is not going to proceed until Senators clear the aisles.

Mr. JOHNSTON. Mr. President, I shall shortly move to reconsider and will ask unanimous consent for 5 minutes of debate on each side.

I understand that a motion will be made immediately to table. That motion is nondebatable. It is not my purpose to take the time of the Senate with extended debate.

I submit that if the Members of the

Senate would understand what is in this amendment, there would be virtually no way by which they could vote against it. I do not mean that to sound simplistic. I do not mean it to sound overly boastful.

All this amendment does is to say that if we have a two-tier price system on oil, which we have, you get the higher price for the incremental barrel produced by secondary and tertiary recovery. It has nothing to do with old oil. We keep the price lid on old oil, but you simply give that incentive for the price of new oil.

Mr. President, how can anybody be against that? We have 59 billion barrels of oil in reserve that we can get out by secondary or tertiary recovery but which are not being produced now because it is not economical at $5.25 a barrel. It is a chancy business; it is an expensive business. Why not give that higher price for secondary and tertiary recovery? All the experts say we should do it. Why do we not do it?

All we have been doing in the Senate for new sources of energy is repealing the depletion allowance and keeping the lid on old oil. We debated that, and it was the will of the Senate that we should do it, and I am not going to argue that thesis. But I will say, for the sake of this country, let us get some new sources of energy. Let us get that barrel out of the ground that is there now, which is too expensive to get under present prices. What is wrong with that?

Mr. STONE. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON. I yield.

Mr. STONE. Is anybody going to produce a barrel of oil that costs more than $5.25 by secondary or tertiary recovery, if it costs more than $5.25, when they can get only $5.25?

Mr. JOHNSTON. Precisely so.

Mr. President, it is clear cut. The only opposition to this amendment is, "Let us have a little time and study it and have hearings." That is the only opposition. In all deference to my chairman, the distinguished Senator from Washington, with whom I vote on most of these energy matters, that is the only thing in opposition to this amendment—just delay.

All I am saying is that we cannot delay any more. We went down 900,000 barrels in domestic production last year. We have to do something to increase that.

The best source of oil is not the Outer Continental Shelf, it is not Alaska, it is not domestic production, but it is 59 billion barrels of oil in the ground that we know about but which is simply too expensive to produce because it calls for acidizing and fracturing and steam flooding and all kinds of expensive and chancy processes that we will realize by this amendment.

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

Mr. JOHNSTON. I yield.

Mr. BUMPERS. This amendment is a little confusing. It reads:

> The percentage specified pursuant to subparagraph (B) of this paragraph shall reflect and take into account the rate of decline in production normally expected from individual oil reservoirs in the absence of enhanced recovery techniques—

Does that mean that if a well is producing 20 barrels a day in 1974 and it would be anticipated that it would produce, say, only 15 barrels a day in 1975, any amount in excess of 15 barrels for 1975 would carry an increased price if tertiary methods are used?

Mr. JOHNSTON. Secondary or tertiary recovery or, as a matter of fact, any enhanced recovery technique.

The reason for using this kind of language is this: Initially, I had it drawn in terms of secondary and tertiary recovery, well understood techniques. But we turned it over to the counsel for the Interior Committee, who supplied this language and said it was better language, and I agreed. That is the purpose of it—only to cover that incremental barrel produced by secondary and tertiary recovery.

Mr. BUMPERS. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON. I yield.

Mr. BUMPERS. In the Senator's opinion, is there a policing problem with an amendment such as this?

Mr. JOHNSTON. I do not believe so at all. That is the reason for using this kind of formula, to have regulations by FEA that make it clear that the old oil that would be produced anyway does not get the big price, but that only the additional oil produced by the secondary and tertiary recovery gets the additional price.

Mr. BUMPERS. Who would make the determination? As set out here in paragraph (c), who would make the determination of the rate of decline in production which would normally be expected from a well?

Mr. JOHNSTON. The FEA would.

Mr. BUMPERS. Does that mean they would have to make that determination on every well or would they do it by field?

Mr. JOHNSTON. On every reservoir, keeping in mind—as they do now. They have MERs—maximum efficiency rates—on different reservoirs. This is simply a function of the MER. It is using data techniques already known. Those are techniques on which not only is the technique known, but the information is known. So there is no difficulty in doing that. Geological engineers do it every single day.

Mr. BARTLETT. Will the Senator yield?

Mr. JOHNSTON. Yes.

Mr. BARTLETT. Is it true on secondary and tertiary recovery, where enhanced recovery methods are used, that the reserves are known to exist and that to extract these reserves it only takes a minimum amount for cost of production?

Mr. JOHNSTON. It costs a tremendous amount, in some cases more on development, in some cases perhaps less on development. But this amendment does not cover any barrel of oil being produced today. It does not cover any reservoir on which we have secondary recovery today. It covers only those existing reservoirs on which something additional will be added from this date.

The PRESIDING OFFICER (Mr. CULVER). The Senator's 5 minutes have expired.

The Senator from Washington is recognized.

Mr. JACKSON. Mr. President, as I stated earlier, I am sympathetic with the objective that the Senator is trying to achieve. But let no one be fooled here about the possibility of real trouble with this amendment.

I point out that sometime ago, we did approve the so-called stripper well amendment, which allowed the operator of wells producing 10 barrels or less per day to have oil from such wells decontrolled. Really, what this does is say that we are going to further decontrol all oil produced by secondary and terriary recovery, and that is involved, in many instances, in a stripper well or in some cases in normal recovers. There would be no limit on it. I point out that while this covers only the incremental increase, the facts are that it would do violence to the whole price structure.

We have not had hearings on this particular amendment.

We will be holding hearings in connection with the mandatory allocations bill, which will cover the whole price structure. But I think a lot of Senators, if they vote for this, might find themselves wondering just why they voted for it, because, in my judgment, we do not have the necessary statutory safeguards in here to prevent the FEA from the kind of deregulation which will play havoc with the price of oil.

We should recall our earlier experience of a year ago, when we had the price rollback up, which was passed by the Congress but the veto of which by President Nixon was sustained—In that situation, we were assured that if we decontrolled the so-called new oil, we would get plenty of oil. What has happened, of course, is that the production of oil has gone down.

Mr. BARTLETT. Will the Senator yield?

Mr. JACKSON. I only have 5 minutes. When I get through, if I have time remaining I will be happy to.

I point out, Mr. President, that we are in agreement that we need some price incentives, and I supported the stripper well amendment. But this is the wrong way to go about it. We should look at something more than just talking about decontrol. We have to deal with the immediate problem, which is, indeed, serious, when, on May 1, the President will have the authority under existing law to decontrol the price of so-called old oil and where we have already decontrolled the new oil by reason of sustaining President Nixon's veto. I think we are marching down the wrong road.

I stated earlier in the debate that I would be glad to review, and I am sure all the other members of the committee will, the whole price structure as it pertains to oil. If the Senate now wants to start adding to the price of oil, and that price will be reflected in all the other costs, let us face up to it, this will help in that effort. It is the first step down the road to a deregulation and, in my judgment, a wrong approach to sound pricing.

Let me emphasize that I am in accord with the general objectives that have been expressed here—to recognize, that is, that there are areas of oil recovery that are extremely expensive. But to say

that we are going to find the oil supply that we need here in the United States, 59 million barrels, and not consider the Outer Continental Shelf and Alaska is simply not in accord with the facts.

Mr. BARTLETT. Will the Senator yield?

Mr. JACKSON. He had 5 minutes and I have 5 minutes. I am just trying to complete my statement.

I point out that in Petroleum Reserve No. 4 in Alaska, there are over 30 billion barrels of relatively economical oil. We have huge reserves elsewhere in Alaska. The estimates in Alaska alone are over 100 billion barrels, Mr. President. To try to say that we are going to recover the oil we need here is a lot of nonsense. There is no use misleading the Senate on that. When we had the decontrol provision up, which went through, we were told that production would increase. And when the production did not increase, well, they said, oil drilling is increasing.

Now, oil production has been going down steadily, and bear in mind, all the new oil is decontrolled. But profits have gone right through the roof.

I want to provide for reasonable incentives, but the matter has to be dealt with in its entirety. We have to deal with the subject of how we should provide new incentives. This is one of the areas, no doubt about it. But we also need to deal with the question of preventing effectively the deregulation of the old oil, which will cost billions and billions of dollars, and that decontrol will go into effect on the first of the month.

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

Mr. JACKSON. I move to table the motion to reconsider.

The PRESIDING OFFICER. The motion to reconsider has not been made yet.

Mr. JOHNSTON. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. JACKSON. I move to lay that on the table.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the assistant majority leader, the distinguished Senator from West Virginia, be recognized for not to exceed 5 minutes.

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

Mr. ROBERT C. BYRD. Mr. President, the following program for tomorrow has been cleared with Senators who are principals in connection with the various bills and nominations that are included in this request and has been cleared with the leadership on the other side of the aisle. I take the floor now so that all Senators will know the program for tomorrow and, if this request is agreed to, it is my understanding, in talking with the distinguished majority leader, that there will be a fairly good chance that there will be no session on Friday. Am I correct?

Mr. MANSFIELD. The Senator is correct.

ORDER FOR ADJOURNMENT TO 9:30 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9:30 tomorrow morning.

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

(An order was subsequently entered to provide that the Senate convene at 9:15 a.m. tomorrow.)

ORDER FOR CONSIDERATION OF CERTAIN NOMINATIONS AND CERTAIN LEGISLATION TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that immediately following the special orders that have been entered into on tomorrow, the Senate proceed—and I make this request as in executive session—the Senate proceed to the consideration of the nomination of Mr. Staebler; and that upon the disposition of that nomination and the other nominations on the calendar, beginning with the Federal Election Commission, the Senate then return to legislative session; that the Senate then proceed to the consideration of Calendar No. 29, on which there is a time agreement; that upon the disposition of that measure, the Senate then proceed to the consideration of Calendar No. 57, on which there is a time agreement; that upon the disposition of that measure, the Senate resume consideration of the unfinished business, the energy bill (S. 622); and that a vote occur on final passage thereof no later than 5 o'clock p.m. tomorrow, with paragraph 3 of rule XII waived.

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

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. McCLURE. Mr. President, on the nominations to the Election Commission, it will be my intention to move to recommit the nomination of Mr. Staebler to the committee for further consideration. I ask unanimous consent that it be in order at this time to ask for the yeas and nays on that motion to recommit.

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

Mr. McCLURE. I ask for the yeas and nays on that motion to recommit.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

STANDBY ENERGY AUTHORITIES ACT

The Senate continued with the consideration of the bill (S. 622) to provide standby authority to assure that the essential energy needs of the United States are met, to reduce reliance on oil imported from insecure sources at high prices, and to implement U.S. obligations under international agreements to deal with shortage conditions.

Mr. JOHNSTON. Mr. President, I ask for the yeas and nays on the pending amendment.

Mr. ROBERT C. BYRD. There is no pending amendment.

Mr. MANSFIELD. On the motion to lay on the table?

Mr. JOHNSTON. Yes.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. CULVER). The question is on agreeing to the motion to lay on the table the motion to reconsider the vote by which the amendment of the Senator from Louisiana (Mr. JOHNSTON) was rejected.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JOHNSTON. Regular order, Mr. President.

The PRESIDING OFFICER. The regular order has been called for. The clerk will resume the call of the roll.

The rollcall was resumed and concluded.

Mr. ROBERT C. BYRD. I announce that the Senator from Alaska (Mr. GRAVEL), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. MAGNUSON), the Senator from Delaware (Mr. BIDEN), and the Senator from New Hampshire (Mr. McINTYRE), are necessarily absent.

I further announce that the Senator from South Dakota (Mr. McGOVERN) is absent on official business.

I also announce that the Senator from Montana (Mr. METCALF) is absent because of death in the family.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Hawaii (Mr. FONG), the Senator from Delaware (Mr. ROTH), the Senator from Ohio (Mr. TAFT), and the Senator from Connecticut (Mr. WEICKER), are necessarily absent.

The result was announced—yeas 42, nays 45, as follows:

[Rollcall Vote No. 126 Leg.]

YEAS—42

Abourezk	Hart, Philip A.	Muskie
Bayh	Hartke	Nelson
Brooke	Haskell	Pastore
Bumpers	Hatfield	Pell
Cannon	Hathaway	Percy
Case	Hollings	Proxmire
Church	Humphrey	Ribicoff
Clark	Jackson	Schweiker
Cranston	Javits	Scott, Hugh
Culver	Kennedy	Stafford
Eagleton	Leahy	Stevenson
Ford	Mansfield	Symington
Glenn	Mondale	Talmadge
Hart, Gary W.	Moss	Williams

NAYS—45

Allen	Fannin	Morgan
Bartlett	Garn	Nunn
Beall	Goldwater	Packwood
Bellmon	Griffin	Pearson
Bentsen	Hansen	Randolph
Brock	Helms	Scott, William L.
Buckley	Hruska	Sparkman
Burdick	Huddleston	Stennis
Byrd, Harry F., Jr.	Johnston	Stevens
Byrd, Robert C.	Laxalt	Stone
Chiles	Long	Thurmond
Curtis	Mathias	Tower
Dole	McClellan	Tunney
Domenici	McClure	Young
Eastland	McGee	
	Montoya	

NOT VOTING—12

Baker	Inouye	Metcalf
Biden	Magnuson	Roth
Fong	McGovern	Taft
Gravel	McIntyre	Weicker

So the motion to lay on the table was rejected.

The PRESIDING OFFICER. The question recurs on the motion to reconsider.

Mr. JACKSON. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to reconsider the vote by which Mr. JOHNSTON's amendment was rejected.

The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from Alaska (Mr. GRAVEL), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. MAGNUSON), the Senator from New Hampshire (Mr. MCINTYRE), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. MCGOVERN) is absent on official business.

I also announce that the Senator from Montana (Mr. METCALF) is absent because of death in the family.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote nay.

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Hawaii (Mr. FONG), the Senator from Delaware (Mr. ROTH), the Senator from Ohio (Mr. TAFT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The result was announced—yeas 45, nays 41, as follows:

[Rollcall Vote No. 127 Leg.]

YEAS—45

Allen	Fannin	Morgan
Bartlett	Garn	Nunn
Beall	Goldwater	Packwood
Bellmon	Griffin	Pearson
Bentsen	Hansen	Percy
Brock	Helms	Randolph
Buckley	Hruska	Scott,
Burdick	Huddleston	William L.
Byrd,	Johnston	Stennis
Harry F., Jr.	Laxalt	Stevens
Byrd, Robert C.	Long	Stone
Chiles	Mathias	Thurmond
Curtis	McClellan	Tower
Dole	McClure	Tunney
Domenici	McGee	Young
Eastland	Montoya	

NAYS—41

Abourezk	Hart, Philip A.	Muskie
Bayh	Hartke	Nelson
Brooke	Haskell	Pastore
Bumpers	Hatfield	Pell
Cannon	Hathaway	Proxmire
Case	Hollings	Ribicoff
Church	Humphrey	Schweiker
Clark	Jackson	Scott, Hugh
Cranston	Javits	Stafford
Culver	Kennedy	Stevenson
Eagleton	Leahy	Symington
Ford	Mansfield	Talmadge
Glenn	Mondale	Williams
Hart, Gary W.	Moss	

NOT VOTING—13

Baker	Magnuson	Sparkman
Biden	McGovern	Taft
Fong	McIntyre	Weicker
Gravel	Metcalf	
Inouye	Roth	

So the motion to reconsider the vote by which Mr. JOHNSON's amendment was rejected was agreed to.

Mr. JACKSON. Mr. President, I offer an amendment to the amendment which is at the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

In section (3)(A) of the Johnston amendment strike the phrase: "the highest price applicable to the given grade and quality of crude oil produced in the given producing area."

And insert in lieu thereof the phrase: "no more than $7.50 per barrel."

The PRESIDING OFFICER. Under the unanimous-consent agreement previously entered, there will be 15 minutes to the Senator from Washington and 15 minutes to the Senator from Louisiana.

Mr. JACKSON. Mr. President, I ask unanimous consent that time on the amendment—I can agree to 2 minutes a side.

Mr. JOHNSTON. Four minutes a side.

Mr. JACKSON. I ask unanimous consent that the debate be limited to 4 minutes a side, and I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. HANSEN. Mr. President, I object to the 4 minutes on each side.

The PRESIDING OFFICER. Objection is heard.

Mr. MANSFIELD. Mr. President, I thought the Chair ruled before the question of the yeas and nays was propounded.

The PRESIDING OFFICER. The Chair had not ruled. There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. HANSEN. Mr. President, I withdraw my objection.

The PRESIDING OFFICER. Is there objection? Without objection, there will be 4 minutes allotted to each side.

The Senator from Washington.

Mr. JACKSON. Mr. President, simply stated, all the Members of the Senate will have an opportunity now to indicate in specific terms where they stand on the subject of petroleum pricing.

The PRESIDING OFFICER. The Senate will be in order.

Mr. JACKSON. This amendment is not a capricious one, but it is an amendment that provides for a ceiling of $7.50 a barrel in connection with the implementation of the Johnston amendment.

I would point out to the Senate that all of the figures that we have had heretofore in connection with target prices for oil, in order to provide the necessary incentives, have all been within the $7 range.

I would point out that the Federal Energy Office in their statement of January 1974 stated:

> The long-term supply price for bringing in alternate sources of energy in this country, as well as drilling the Outer Continental Shelf and the North Slope, is $7 a barrel in current 1973 dollars.

In December 1973, the Department of the Treasury, then handling the administration's energy policy, stated:

> No one knows exactly what the long-term supply price is, as no one can predict the future of that clearly. Our best estimate is that it would be in the neighborhood of $7 a barrel within the next few years.

I emphasize this, Mr. President, "within the next few years."

I am willing to put on a ceiling of $7.50, but the Senate must decide whether they really want to do something about prices that relate to the problem of the American consumer.

If we proceed to pass the Johnson amendment as introduced for deregulation, I do not know how much the cost is going to add up to after the Federal Energy Administration gets through with its regulations, implemented under the provisions of the amendment. The result might well be a great deal of oil in the "uncontrolled" category.

The PRESIDING OFFICER (Mr. STONE). The Senator from Washington's 4 minutes have expired.

Mr. JACKSON. I hope the Senate will accept this amendment as a safeguard, at least, so that we will know what we are doing.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. JOHNSTON. Mr. President, I oppose the amendment to the amendment, simply because this is what might be called a Chinese water torture amendment—that is, to try to beat back an amendment piece by piece and bit by bit.

I asked my distinguished friend, the Senator from Washington, whose leadership I usually follow in these matters, if he would accept the amendment if I were to agree to his, and he said, "No."

I think the intent of the amendment is really to defeat the amendment, pending hearings. As I said before, I think it is very clear. I do not think we can wait for hearings.

If we make a mistake—and I am satisfied that we are not making a mistake with this language, which has been drawn by the staff of the Committee on Interior and Insular Affairs—let us make that mistake on the side of more energy. Let us make that mistake on the side of getting out of the ground a barrel of oil that we know is there which we are not now getting. There is no mistake in this amendment. It simply will produce part of the 59 billion barrels of oil which are estimated to be in the ground and are simply too expensive to recover at this time.

Mr. HANSEN. Mr. President, will the Senator yield me 30 seconds?

Mr. JOHNSTON. I yield.

Mr. HANSEN. Mr. President, the fact is that we have producible reserves now of 40 billion barrels of oil. The fact is that we could get another 59 billion barrels if we take the Johnston amendment without any amendment to it. The fact is that if we cut it back to $7.50, we will not be worrying about how the economy

grows in this country so far as people are concerned but, rather, how we are going to get along without the extra energy we could have had otherwise.

Mr. JOHNSTON. I thank the distinguished Senator.

It is not going to raise the cost of energy. The question is whether we are going to pay for energy to Americans who produce it by secondary and tertiary recovery or whether we import the oil from the Arabs. There is no way to answer that argument. We need the Johnston amendment. We need it in the interest of national security, in the interest of the energy of this Nation.

I ask Senators to reject the pending amendment, and let us adopt the Johnston-Stone amendment in its pure, unadulterated form.

The PRESIDING OFFICER. Is all time yielded back?

Mr. JACKSON. Mr. President, do I have any time remaining?

The PRESIDING OFFICER. The Senator from Washington has no time remaining.

The question is on agreeing to the amendment of the Senator from Washington. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. ROBERT C. BYRD. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Delaware (Mr. BIDEN), the Senator from Nevada (Mr. CANNON), the Senator from Alaska (Mr. GRAVEL), the Senator from Hawaii (Mr. INOUYE), the Senator from Washington (Mr. MAGNUSON), the Senator from New Hampshire (Mr. MCINTYRE), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I further announce that the Senator from South Dakota (Mr. MCGOVERN) is absent on official business.

I also announce that the Senator from Montana (Mr. METCALF) is absent because of death in the family.

I further announce that, if present and voting, the Senator from Washington (Mr. MAGNUSON) would vote "Yea."

Mr. GRIFFIN. I announce that the Senator from Tennessee (Mr. BAKER), the Senator from Hawaii (Mr. FONG), the Senator from Delaware (Mr. ROTH), the Senator from Ohio (Mr. TAFT), and the Senator from Connecticut (Mr. WEICKER) are necessarily absent.

The result was announced—yeas 46, nays 38, as follows:

[Rollcall Vote No. 128 Leg.]

YEAS—46

Abourezk	Hartke	Nelson
Allen	Haskell	Pastore
Brooke	Hatfield	Pearson
Bumpers	Hathaway	Pell
Byrd, Robert C.	Hollings	Proxmire
Case	Huddleston	Ribicoff
Chiles	Humphrey	Schweiker
Church	Jackson	Scott, Hugh
Clark	Javits	Stafford
Cranston	Kennedy	Stevenson
Culver	Leahy	Symington
Eagleton	Mansfield	Talmadge
Ford	Mondale	Tunney
Glenn	Morgan	Williams
Hart, Gary W.	Moss	
Hart, Philip A.	Muskie	

NAYS—38

Bartlett	Garn	Nunn
Beall	Goldwater	Packwood
Bellmon	Griffin	Percy
Bentsen	Hansen	Randolph
Brock	Helms	Scott, William L.
Buckley	Hruska	Stennis
Burdick	Johnston	Stevens
Byrd, Harry F., Jr.	Laxalt	Stone
Curtis	Long	Thurmond
Dole	Mathias	Tower
Domenici	McClellan	Young
Eastland	McClure	
Fannin	McGee	
	Montoya	

NOT VOTING—15

Baker	Gravel	Metcalf
Bayh	Inouye	Roth
Biden	Magnuson	Sparkman
Cannon	McGovern	Taft
Fong	McIntyre	Weicker

So Mr. JACKSON's amendment was agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the yeas and nays called for on the Johnston amendment, as amended, be vacated.

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

Mr. MANSFIELD. I ask for a voice vote.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as amended.

The amendment, as amended, was agreed to.

Mr. JOHNSTON. I move to reconsider the vote.

Mr. RANDOLPH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, the Senate, by its action, did not approve the amendment in the form that we thought was sufficient to give the kind of incentive we need to produce the additional supplies of oil in this country. However, Mr. President, the price of $7.50, as opposed to a present price of $5.25, is going to go a long way toward producing those incremental supplies of secondary and tertiary oil. We need that in this country. I urge my colleagues who will be on the conference committee, when and if this bill passes, to try to keep this provision which, so far as I know, is the only provision in all of this bill that does anything about getting more supplies of oil. It is not as good as we would like, but it is a good start. I commend my colleagues for having given us this much incentive toward getting that secondary and tertiary oil out.

I commend the Senator from Florida and my senior colleague from Louisiana for having played such an intimate and important part in what I regard as real progress, real and unusual progress, toward getting additional supplies of energy.

Mr. ROBERT C. BYRD. Mr. President, for the information of the Senate, there will be no more rollcall votes tonight. I ask unanimous consent that the Senator from Arizona (Mr. FANNIN) may call up an amendment and make it the pending question, and that it be the pending question, therefore, when the Senate resumes the consideration of this measure, and that on tomorrow he be assured of not to exceed 1 hour, to be equally divided, on that amendment, even though the time on that amendment, under circumstances which we do not now foresee, might run the vote on final passage of the bill beyond the hour of 5 o'clock p.m.

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

Mr. FANNIN. Mr. President, I express my appreciation to the distinguished assistant majority leader. I think this will help considerably.

I ask the distinguished acting majority leader if he will consent, before I call up this amendment to lay it down, that I yield to the Senator from Ohio for the submission of an amendment which has been agreed upon.

Mr. ROBERT C. BYRD. Mr. President, I ask that the Senator call up his amendment, and that immediately it then be temporarily laid aside to accommodate the Senator from Ohio.

Mr. FANNIN. Mr. President, I call up my amendment No. 104.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Arizona (Mr. FANNIN) proposes an amendment numbered 104.

Mr. FANNIN. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with, and that tomorrow when we take up the bill, as I have been advised by the acting majority leader will be the case, I have an opportunity to explain the amendment.

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

Mr. FANNIN. Mr. President, I ask unanimous consent that an excerpt from the committee report (No. 94–26) be printed in the RECORD at this point, together with my amendment.

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

EXCERPT

IV. TITLE II—"A CONSERVATION CHARADE"

Again, without benefit of hearings or even reading what they approved as Title II, the Committee made an eleventh hour decision to improvise a conservation title. Before the ink was dry on a last minute staff draft, the Committee voted to adopt it. The Committee bought a pig in a poke and is now trying to sell it to the administration.

Title II follows the "no standards" pattern of the Emergency Petroleum Allocation Act. It tells the administration to "conserve" as the other act told the administration to "allocate." It does not say how much, where, when, or how. It just says, "Administration, go do a job on conservation. We don't know enough to tell you what to do or how to do it, but we declare that the need to conserve energy is urgent and we want thirty days to veto whatever program you yourself devise".

We invite our colleagues to read carefully Title II in its entirety. For example, Section 201 states that one of the purposes of Title II is "to declare an interim national conservation policy". But nowhere in Title II is there contained such a policy.

Section 202 allows the President to design energy conservation programs and regulations if he wants to, but if he does, the Congress wants thirty days to veto each one.

Section 202(a)(4) confines each Presidential conservation proposal to a metaphysical

standard termed "one functionally discrete subject matter or type of action." This is about as useful a guideline as proposing "one functionally indiscrete subject matter or type of action". The clear purpose of the language is to preserve the option of a Congressional veto for each detail of what should properly be a comprehensive integrated national conservation effort.

Note also the inconsistency between the "functionally discrete" restriction in Section 202(a)(4) and the functionally expansive undertaking prescribed in Section 202 (a)(2)(E) suggesting that the President establish "standards and programs to increase industrial efficiency in the use of energy". On the one hand, the Committee is trying to restrict the President's authority to ensure that he is acting "functionally discrete", but on the other hand, the Committee is urging the President to develop functionally indiscrete conservation standards and programs for the entire multibillion dollars United States industrial establishment. Once again, the Committee does not tell the President what he should do or how he should do it. This is a remarkable default of Congressional policymaking responsibility.

The hypocrisy of Section 202 is revealed in Section 203. Section 202 urges the President to do something in the way of conservation by prescribing a shopping list of vague possibilities but prevents the implementation of each for thirty days. Then in Section 203 the Committee would have the FEA Administrator, the Secretaries of Housing and Urban Development, Commerce, Interior, Transportation, Health, Education and Welfare, Treasury and other "appropriate" agency heads to promulgate within three months of enactment the same vague shopping list into regulations. Without discussing the convoluted shopping list item by item, we merely point out that nowhere in Section 203 is there the slightest direction to the assortment of administration decision-makers regarding how much energy is to be saved. Worse yet, they are directed to "promulgate regulations" which "specify standards" and "establish programs". The Congress is now asking the administration to invent programs by regulations. Absent any Congressional guidance as to quantitative goals, the administration is left not only with direction as to what it is to do, but neither is it at all restricted as to the sweeping scope of its regulatory conservation authority.

In short, the committee is asking the administration to tell America how much fuel it can use. The committee is abandoning the price and tax mechanisms suggested by the President. It is telling the President that the committee thinks that the American consumer is too stupid to figure out for himself how he can cut down on his fuel use and that the federal and state governments must force him to save energy in the manner the government thinks best. Thus, with the inclusion of Title II coupled with Sections 122 and 123, the committee is abandoning the price mechanism and forcing what is tantamount to government dictated rationing programs under the guise of "conserving" energy.

S. 622 is no longer a standby energy emergency authorities bill, but a mandatory conservation and allocation proposal which adheres to the same old hypothesis that the federal government should and can increase supply merely by reducing demand.

Amendment proposed by Mr. Fannin:

AMENDMENT No. 104

Beginning at line 16, page 102, delete title II in its entirety.

Mr. GLENN. Mr. President, I ask unanimous consent that an amendment that I shall send to the desk be taken up out of order at this time. It is an amendment proposed by the Senator from Washington (Mr. JACKSON).

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

Mr. GLENN. The amendment has the approval of a number of Senators on both sides of the aisle who have already seen it. The Justice Department, the FEA, and the State Department approve it, and it has been approved by the Subcommittee on Antitrust and Monopoly, chaired by the distinguished Senator from Michigan (Mr. HART).

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Ohio (Mr. Glenn), on behalf of the Senator from Washington (Mr. Jackson), proposes an amendment.

Mr. GLENN's amendment is as follows:

On page 91, line 22, strike out the word "such", and immediately after the word "meetings", insert the words "held to develop a voluntary agreement or plan of action subject to any limitations imposed by the Administrator in accordance with this subsection".

On page 92, line 20, immediately before the word "implementation", insert the words "and when practicable, in the".

On page 95, line 10, strike the words "in good faith", and between lines 13 and 14, insert the words "(provided that such actions were not taken unnecessarily and for the purpose of injuring competition)".

On page 95, after line 24, insert on a new line the following: "Persons interposing the defense provided by this section shall have the burden of proof, except that the burden shall be on the plaintiff with respect to whether the actions were taken unnecessarily and for the purpose of injuring competition."

The PRESIDING OFFICER. Is time on the amendment yielded back?

Mr. GLENN. I yield back the remainder of my time.

Mr. FANNIN. I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Ohio.

The amendment was agreed to.

GOALS AND PURPOSES OF TITLE II

Mr. JACKSON. Mr. President, title II of the Standby Energy Authorities Act provides both the basis for, and the first steps toward, the implementation of a national energy conservation policy. The options available for the formulation of such a policy are:

First, reliance on voluntary energy conservation in response to generalized encouragement by prominent public figures and educational programs;

Second, steep energy price increases induced by taxes and tariffs and the total removal of energy price controls to reduce energy consumption through the operation of the price elasticities of demand in each sector of the economy;

Third, a comprehensive, uniform, and mandatory Federal energy conservation effort organized, directed, and managed from Washington; and

Fourth, a national energy conservation program administered by State government, and tailored to local needs and economic, geographical, and climatological conditions, supported by Federal funds and responsive to reasonable Federal standards developed with input from affected sectors of the economy.

Mr. President, the first option—voluntary energy conservation—has been our national policy for the past year. This policy has clearly not been successful. In the postembargo period, preembargo patterns of energy use have reasserted themselves. We are more dependent on imported oil, we are as dependent on the Arab petroleum exporting countries, and we are consuming refined petroleum products at rates which are comparable or enhanced with respect to preembargo levels. Indeed, no responsible analyst has been able to separate the effect of the current recession on energy consumption from the effects of voluntary energy conservation or higher energy prices.

The second option is the one the administration proposes. It has been overwhelmingly rejected by the economic, academic, and business communities. In my opinion it will be overwhelmingly rejected by the Congress. To adopt the administration's program with the expectation of conserving energy will, among other things:

Impose on the domestic economy increases in energy costs which, at a minimum, are as large as those imposed by the Arabs during the 1973–74 embargo;

Remove all insulation between OPEC pricing decisions and U.S. domestic energy prices;

Insure continued double-digit inflation; and

Remove any hope of early economic recovery and, in all probability, push unemployment into double digits.

Ironically, a substantial body of opinion doubts that the benefit which is supposed to result from this sacrifice—substantial energy savings over the short run—will actually materialize. The President's program may, in the end, only save energy by closing businesses.

The third option is one which I hope the Nation can avoid. Like many of my colleagues in the Congress I have a great desire to eliminate unwarranted Federal intervention in the lives of Americans. Such intervention is rarely, if ever, productive. Direct Federal programs, involving the exercise of power and money are very hard, if not almost impossible, to terminate even after their usefulness has ended. Yet I fear that, because the options offered by the administration are so clearly unacceptable—ineffective, voluntary conservation for over a year and now an enormously dangerous and inequitable tax, tariff and decontrol program—that a massive mandatory Federal program may be instituted out of frustration.

It is for this reason that the Interior Committee chose the fourth option which stresses flexibility and utilization of State government's experience with local conditions and opportunities. We can conserve energy without the sledge hammer price increases which are the cornerstone of the administration's program. And I believe we can avoid the creation of a new and massive Federal bureaucracy. Title II of S. 622 offers a conceptual foundation which involves State govern-

ment directly and authorizes a beginning in energy conservation which both the administration's comprehensive energy plan and the Project Independence blueprint have indicated are reasonable and attainable.

Mr. President, the concept, structure, and purpose of title II has been clearly described in the Interior Committee's report on S. 622. The FEA's Comprehensive Energy Plan has outlined the methods through which energy conservation can be achieved for voluntary programs similar to those authorized in title II. The Committee believes that those estimated energy savings can be exceeded if S. 622 is enacted. I ask unanimous consent that selected material from the Interior Committee's report on S. 622 and from the FEA's Comprehensive Energy Plan be inserted in the RECORD at this point.

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

PURPOSE

TITLE II: ENERGY CONSERVATION POLICY

The purpose of title II of S. 622 is to insure the implementation of necessary energy conservation programs, consistent with economic recovery, even though conditions do not warrant the exercise of the standby authorities granted by title I. Title II therefore authorizes the President to establish an interim energy conservation plan, directs the Administrator of the Federal Energy Administration to establish national energy conservation standards, and provides for the development and implementation of approved State Energy Conservation Programs with Federal assistance.

If any State fails to submit a State Energy Conservation Program which is consistent with the Federal guidelines and standards for such programs, the Administrator is authorized and directed to develop and implement an energy conservation program for that State.

The programs provided for by title II will conserve energy without precipitating the further deterioration in the nation's economy which would result if the Administration's program of energy tariff, tax and pricing policies were adopted. The President's proposals, if enacted, would insure continued double digit inflation by adding 3% to the costs of all goods and services. At the same time, his proposals would accelerate the downward spiral of the economy toward depression by reducing consumer purchaser power $20 to $30 billion annually.

The State Energy Conservation Programs provided for in title II, tailored to local economic, geographic and climatological conditions, will assure that necessary energy conservation will proceed without jeopardizing the nation's priority goal: a full employment economy with price stability. The setting of realistic and attainable conservation goals which are consistent with economic recovery and the implementation of orderly programs to achieve these goals will help realize the enormous potential for energy conservation in the United States which exists. The Federal Energy Administration's Comprehensive Energy Plan, which was submitted in response to the congressional mandate of section 22 of the Federal Energy Administration Act of 1974, estimated that U.S. energy consumption could be reduced by the equivalent of over 800 thousand barrels of crude oil per day within a year if several of the conservation measures specified and authorized in title II were adopted on a voluntary basis. By mandating many of these measures through specific programs to mobilize the efforts of the American people, these estimated energy savings can be attained and even exceeded.

SECTION-BY-SECTION ANALYSIS

TITLE II—ENERGY CONSERVATION POLICY

Section 201. Statement of purposes, findings, and policy

This section sets forth congressional findings relating to energy shortages caused by dependence on foreign energy sources, and by a continuation of the past trend in the expansion of demand for energy in all forms. The purposes of this title are threefold: first, to authorize the President to establish interim energy conservation plans; second, to make energy conservation an integral part of all ongoing programs and activities of the Federal Government by directing the Administrator of the Federal Energy Administration to establish national energy conservation standards; and third, to provide for the development and implementation of approved State Energy Conservation Programs with Federal technical and financial assistance. In the absence of such programs, Federal energy conservation standards would apply to the States.

The section includes a congressional declaration that the adoption of laws, policies, programs and procedures at all levels of government to conserve energy and fuels can have an immediate and substantial effect in reducing the rate of growth of energy demand, and in minimizing adverse economic and national security impacts associated with such demand growth and reliance upon imports.

The purpose of this title is to provide the President with the authority to establish and set in place energy conservation programs which will reduce national consumption and thereby reduce growing dependence on imported oil. It is the Committee's intent that title II and the authorities it contains be used to achieve conservation savings as an alternative to the President's proposed program of energy price, tax, and tariff increases.

Section 202. Interim energy conservation plans

Section 202 authorizes the President to institute interim energy conservation plans, pending the promulgation of regulations to establish national energy conservation standards pursuant to sections 203 through 207, and/or the adoption by Congress of specific legislative policies and programs for energy conservation. The term "energy conservation plan" includes, but is not limited to, the following measures:

(a) Lighting efficiency standards for public buildings:

According to the Project Independence Blueprint, energy consumed for lighting amounted to 1.8 quadrillion Btu[1] in 1972, or 10 percent of all the energy consumed in the household and commercial sector that year. Approximately 73 percent of this energy was used for commercial lighting.

The General Services Administration established Government standards for lighting in January, 1974 (Federal Management Circular 74–1). Overhead lighting was to be set at no more than 50 foot-candles at work stations, 30 footcandles in work areas and 10 footcandles in nonworking areas. The Project Independence Blueprint estimates savings of the energy equivalent of 100,000 to 120,000 barrels per day of crude oil before 1980 resulting from mandatory adoption of these standards nationally.

(b) Thermal performance standards for all new Federal construction and all new homes and buildings financed under any Federal loan guarantee or mortgage program:

Studies have shown that up to 36 percent of the energy used annually in single-family dwellings could be saved by altering construction techniques without significantly changing the average cost of a new house or the lifestyle of the occupants. For high-rise structures the corresponding figure is 24 percent, while, for construction of commercial buildings, a 32 percent savings is considered possible. New construction measures contemplated include reductions in glass area, insulation for windows and doors, increased wall and roof insulation, improved sealing and caulking, substitution of heat pumps for electrical resistance heating, and recovery of furnace and ventilation system energy.

Existing government policies are not a significant factor in new construction. Current minimum property standards, which affect residential construction under Federal Housing Administration, only prescribe the amount of insulation required. Twenty-six million units or twenty-nine percent of the projected 1985 inventory of residential housing units will be constructed between now and that time. Thirty-five percent of projected 1985 commercial floor space will be constructed during this period.

The Project Independence Blueprint estimates potential savings resulting from national thermal efficiency standards for new residential and commercial buildings to be the equivalent of 240,000 barrels of crude oil per day in 1980 and 490,000 barrels per day in 1985. The Committee considers the adoption of standards which will achieve these conservation targets an especially worthwhile action which could be taken quite soon.

(c) Reasonable restrictions on hours for public buildings:

The Committee expects that Federal agencies will review policies concerning the hours during which Federal buildings are open and during which ventilation and heating or cooling systems are fully operating. In balancing the need for access to the buildings by Federal personnel and the public, the goal of reduction in overall energy consumption and related fuel costs should receive consideration.

(d) Standards to govern decorative and non-essential lighting:

Decorative and other non-essential outdoor lighting accounts for a significant fraction of the energy consumed for commercial lighting. Reduction in decorative and non-essential lighting can be accomplished without placing unfair burdens on individual businesses if the reductions are accomplished across the range of competing businesses. The Committee believes that the equitable way to accomplish this is through the rule-making procedure. The Committee expects that the implementation of these reductions will take into account the valuable informational content of much of commercial use of lighting.

(e) Standards and programs to increase industrial efficiency in the use of energy:

Industrial end-use energy consumption accounted for 33 percent of total U.S. energy consumption in 1972—the energy equivalent of over 11 million barrels of crude oil per day. About 50 percent of the industrial energy is used in nine industries: plastics, cement, aluminum, steel, glass, paper, rubber, food processing and agriculture. Major conservation opportunities in the industrial sector include:

Redesign of both processes and products to reduce energy input per unit output;

Modification of equipment to improve efficiency;

Adjustment of combustion controls and cleaning heat exchange surfaces in furnaces;

Utilization of waste heat; and

Utilization of solid wastes.

The Committee anticipates that adequate plans for industrial energy conservation will be prepared for all major energy-consuming industries in the United States, including the specification of energy conservation objectives. The implementation of a monitoring system to collect and analyze data describing the performance of these industries will provide important feedback into the planning process. The Committee expects

[1] 1 quadrillion Btu per year is the energy equivalent of 490,000 barrels of crude oil per day.

that the results of a vigorous Federal research and development program designed to improve boiler efficiency, manage and utilize waste heat, improve process efficiency and develop new materials processes will be integrated with the Federal conservation program for industry.

The Project Independence Blueprint estimates that the energy equivalent of 400,000 to 600,000 barrels of crude oil per day can be saved in the 1980's in the industrial sector. Approximately 85 percent of these savings are estimated to be due to the results of research, development and demonstration programs.

(f) Programs to insure better enforcement of the 55 mile per hour speed limit:

The Committee anticipates the prompt development of a vigorous program of public education, including consultation and discussion with State and local police departments and law enforcement officials to underline the benefits associated with enforcement of the 55 mile-per-hour national speed limit enacted into law in January of 1974. The National Petroleum Council estimates that substantial compliance with this limit could result in savings of 170,000 to 190,000 barrels of gasoline per day beginning in 1975.

(g) Programs to maximize the use of carpools and public transportation systems:

Public transit is two to four times more energy efficient than the automobile and offers benefits of improved air quality and reduced congestion in addition to savings in fuel consumption. Programs to improve scheduling, to encourage the staggering of work hours and to provide subsidies for the use of mass transit can decrease automobile use for commuting without raising the cost of operating automobiles absolutely.

Incentives to individuals to form car pools through programs to provide information to employees who are potential car pool members, the assignment of priority parking privileges to car pool drivers, and the adoption of flexible work schedules can increase the response of the public to the car pool option. The National Petroleum Council has estimated that approximately 100,000 barrels of gasoline per day could be saved in the first year of operation of a comprehensive car pool program and over 300,000 barrels per day within a few years provided half the projected auto commuters avail themselves of car pools with an average load of three persons per car.

(h) Standards for reasonable controls and restrictions on discretionary transportation activities upon which the basic economic vitality of the country does not depend:

The Committee expects that broad range of options will be suggested to influence transportation practices of individuals and businesses to increase the efficient use of energy. The creation of bicycle paths and bicycle and motorcycle lanes for commuters and the designation of automobile-free areas or areas in which reduced parking will be available can shift transportation habits away from the automobile to other more efficient modes.

Policies to discourage purely discretionary driving involving reduced hours of operation for service stations, purchase limitations or "odd-even" purchase plans are options for consideration. However, with regard to these options the Committee wishes to point out that the existence of a significant recreational or tourist industry within a group of States may suggest that State policies be coordinated regionally so that the flow of private automobile traffic across State lines to participate in this commerce is not unduly impeded.

(i) Energy efficiency standards to govern Federal procurement policy:

The Committee expects that the Administrator will promptly request from the General Services Administration and other appropriate Federal departments and agencies an analysis of the impact of including energy efficiency as one of the criteria for decision-making in the Federal procurement process. This analysis is to form the basis for the development of standards to increase the energy efficiency of equipment purchased by the Federal Government.

(j) Low interest loans and loan guarantee programs to improve the thermal efficiency of individual residences by insulation, storm windows and other improvements:

Standards for improved thermal efficiency in new buildings result in energy savings which only becomes significant after several years. However, support for the improvement of thermal efficiency in existing residential buildings through Federally guaranteed loans or, where necessary for residences owned by low-income persons, by low-interest loans will yield energy savings much sooner. Measures available include installation of storm windows and doors (or double pane glass) improved sealing and caulking, ceiling and roof insulation and improvements in heating, ventilation, and air conditioning systems. The estimated cost averages $600 per dwelling, with storm windows and doors the main items. Depending on the extent of participation in the program, the Federal Energy Administration has estimated energy savings in the range of 140,000 to 220,000 barrels per day for the remainder of the decade from programs to improve the thermal efficiency of existing residences. If 70 percent of the residential units in existence in 1972 can be modified by the 1980's by at least one of the improvements contemplated in this paragraph, energy savings in 1985 will amount to the energy equivalent of over 370,000 barrels of crude oil per day.

(k) Development of public education programs to encourage voluntary energy conservation:

The Committee realizes that a significant improvement in the energy efficiency of existing homes and automobiles can be accomplished by the voluntary actions of individuals who have access to the proper information. Proper maintenance of the automobile—a well-tuned engine, proper inflation of tires, and energy conserving driving habits can reduce energy consumption and cost to the individual. For the home, a consciousness of conservation opportunities can result in energy savings as well as savings on fuel and electricity bills. The Committee expects that a vigorous program to make consumers aware of their options to decrease their energy consumption will be developed and implemented.

Subsection (b) of section 202 provides that any energy conservation plan promulgated by the President pursuant to subsection (a) shall not become effective until transmitted to Congress for review and right of disapproval in accord with section 104(b) through (d) of title I of the Act, except that Congress shall have thirty calendar days in which to approve or disapprove such plans.

Section 203. Federal initiatives in energy conservation

This section directs the Administrator of the Federal Energy Administration, in cooperation with the Secretaries of Housing and Urban Development, Commerce, Interior, Transportation, Health, Education and Welfare, Treasury and other appropriate Federal agencies, to specify standards and establish programs for energy efficiency and conservation as outlined in section 202.

Section 204. State initiatives in energy conservation

Section 204 provides for the development of State Energy Conservation Programs designed to (1) minimize adverse economic or employment impacts within the particular State, and (2) meet unique local economic, climatological, geographic and other conditions and requirements.

Subsection (a) directs the Administrator of the Federal Energy Administration to develop Federal guidelines for the funding and development of such State programs. Subsection (b) directs the Administrator to request the submission from the Governor of each State, within four months of the effective date of the Act, a report describing the proposed State Energy Conservation Program.

Subsection (c) authorizes the Administrator to extend technical assistance to the individual States for developing these programs.

Section 205. Delegation of authority

Subsection (a) of this section directs the Administrator of the Federal Energy Administration to establish criteria for the delegation of responsibility for the implementation and administration of State Energy Conservation Programs to the respective States.

Subsection (b) directs the Administrator to review, and authorizes him to approve, State programs properly submitted pursuant to section 204(a) and subsection (a) of this section. Subsection (b)(3) directs the Administrator to establish procedures to govern the interpretation of State programs, administrative law, judicial review, enforcement and penalties, by incorporating the provisions of title I related thereto.

Section 206. Grants to States

This section authorizes the Administrator of the Federal Energy Administration to provide all financial assistance necessary for the development and implementation of approved State Energy Conservation Programs.

Subsection (b) provides that one-half the sum appropriated for such assistance be apportioned to each State in the ratio which the population of that State bears to the total population of the United States. The Administrator is to distribute the remainder of appropriated funds among the States on the basis of respective need and achievement of conservation targets set by the Administrator.

Subsection (d) directs the States to return to the United States any amounts not expended or committed during the fiscal year pursuant to subsection (b). Subsection (e) provides for the keeping and inspection of the financial records of all Federal assistance.

Section 207. Energy conservation targets and objectives

Subsection (a) of this section directs the Administrator of the Federal Energy Administration to establish realistic and attainable targets and objectives for State Energy Conservation Programs. States which meet established targets and objectives are eligible for an incentive grant from appropriated funds determined by the Administrator.

Subsection (b) provides that the Administrator furnish the Governors with a monthly report on the implementation of this Title, on the energy savings achieved, and on any innovative conservation program undertaken by individual States.

Section 208. Non-participation by State government

This section directs the Administrator to develop, implement and enforce a Federal energy conservation program in these States which have failed to propose an acceptable State Energy Conservation Program, or where such program is not implemented or enforced.

Section 209. Reports

Subsection (a) of this section directs the Administrator of the Federal Energy Administration to submit to Congress, within six months of the enactment of this Act, a report on the operation of this title, the energy conservation savings achieved, the degree of State compliance, and any recommendations for amendments.

Subsection (b) directs the Administrator

to include in such report an assessment of the need, if any, and his recommendations for additional economic incentives or penalties to insure effective State participation and compliance with the provisions of this title.

Section 210. Authorization of appropriations

This section authorizes an appropriation of such funds as are necessary to the Administrator of the Federal Energy Administration to carry out the purposes of this title.

Section 211. Expiration

This section provides that all authorities granted under this title shall expire at midnight, June 30, 1976, unless further extended by the Congress.

TABLE A1-2.—SUMMARY OF FEA ENERGY CONSERVATION PLAN AND SAVINGS FOR OIL IMPORT REDUCTION PROGRAM

Voluntary measures with major Federal program	Probable petroleum savings rate, thousands of barrels per day for each quarter in 1975				Maximum theoretical potential
	1	2	3	4	
Demand reduction measures:					
1. Reduce energy use in industry: Institute industry conservation plans and energy audits	50	75	105	175	180
2. Reduce energy use in transportation:					
Institute auto fuel economy program	3	6	13	58	74
Enforce a 55-mi an hour speed limit	10	25	50	50	100
Encourage motorists to keep cars tuned	0	1	2	4	60
Encourage motorists to keep tires inflated to specification	1	2	2	3	10
Encourage use of public transportation	1	2	3	5	20
Encourage carpooling	7	10	25	40	400
Encourage activity and route coordination to conserve travel	28	95	127	130	220
Total transportation	50	141	222	290	884
Reduce energy consumption in buildings:					
3. Environmental systems:					
Modify ventilation in commercial buildings	5	30	15	50	100
Induce building owners to thermally insulate and seal buildings	0	2	2	15	40
Encourage adjusting the space heating/cooling thermostat for broader comfort settings	38	15	22	102	410
Encourage economic home furnace/air-conditioning maintenance	0	3	5	5	28
Urge reduction in commercial lighting	7	55	100	100	200
Urge turning off gas yard lights	0	8	8	8	35
Encourage energy conscious design by builders, architects, engineers	0	0	3	5	10
Total environmental systems	50	110	155	285	823
4. Consumer consciousness:					
Reduce hot water heater thermostat setting	0	5	5	5	23
Encourage cold water laundering	1	4	13	20	100
Urge maintenance and reduced use of residential appliances	9	16	27	35	107
Tota: consumer consciousness	10	25	45	60	230
Total buildings	60	135	200	345	1,053
Total demand rate reduction	160	350	525	810	2,217

TABLE A1-3

VOLUNTARY CONSERVATION PROGRAM DEFINITIONS

ESTIMATE OF PETROLEUM SAVINGS BY END OF 1975

Approximate savings rate 10^3 bbl/day

Conservation action with major federal programs: Industrial sector:

Industry conservation plans and energy audits (probable 175; potential 280).

Major energy consuming industries have been identified which include plastics, petroleum refining, cement, copper. aluminum, steel, glass containers, paper products, styrene butadiene rubber, food processing, and agriculture.

Reducing the use of or avoiding certain materials and processes can conserve energy, for example, oil dependent plastics like polystyrene resins, a wet process for cement, a reverberatory process for copper, open hearth furnaces for steel, waste heat in food processing, multiple tillage, pesticide or herbicide use, and forming fertilizers from petroleum or natural gas by substituting organic wastes.

Recycling of scrap copper, aluminum, iron, glass, newsprint, and rubber hydrocarbons are viable means of conserving natural resources and energy.

Equipment modifications to existing or new systems could be incorporated to recover waste heat, insulate against heat loss, provide more efficient thermal transfer, improve air scrubbers, avoid reheating, use lower power devices or gravity, increase the power factor on inductive systems, etc.

Control and maintenance of systems can conserve energy through improving combustion efficiency, lubrication, cleaning, distributing peak loads, sensing overheating, consistent batching, etc.

Energy used:

Gas direct, 10.6 times 10^{15}

Oil direct, 5.7 times 10^{15}.

Gas and oil for electricity, 4.0 times 10^{15} equals 20.3 times 10^{15} Btu/yr.

A savings of 3% or 280 times 10^3 bbl/day is obtainable with strong government programs involving information transfer, monitoring, discussions and liaison, but with voluntary co-operation 2% or 175 times 10^3 bbl/day might be expected. Fiscal incentives may be needed to induce more energy efficient processing and recycling.

An industry conservation audit program has been initiated where energy goals and usage are to be communicated and monitored through the industrial trade associations to the Department of Commerce. A jointly sponsored Federal Energy Administration and National Bureau of Standards program has developed an "Energy conservation program guide for industry and commerce (EPIC)", NBS Handbook 115, RR Gatts, RG Massey, JC Robertson, September 1974. The Federal Energy Administration has also published a data base for "Potential for energy conservation in nine selected industries" Vol 1, June 1974.

Transportation sector:

Auto fuel economy program (probable 58; potential 74).

The 1975 model automobiles are estimated to obtain a 13.5 percent better fuel economy (miles per gallon) than the 1974 models, without any further government action have savings of 10 percent multiply 13.5 percent multiply 4.34 multiply 10^6 barrels per day equal 58 multiply 10^3 barrels per day.

More improvements are possible through minor changes such as the installation of manifold vacuum gauges, improved headers, better carburetor finish, etc. These might be incorporated in auomobiles being manufactured late in 1975 for about an additional $100. A 4 percent improvement may be possible which would account for 10 percent multiply 4 percent multiply 10^6 barrels per day equal 16 multiply 10^3 barrels per day.

However it is not anticipated that this last measure will be adopted voluntarily.

Fifty five mile an hour speed limit (probable 50; potential 100).

To completely enforce a 55 miles per hour upper speed limit on all highways, would provide an absolute savings of 3.051 multiply 10^9 gallons per year equal 230 multiply 10^3 barrels per day.

This strategy has been partially implemented already by various states leaving perhaps a potential 100 multiply 10^3 barrels per day savings. Enforcement by a limited police force may be expected to accommodate 50 percent of the remaining savings.

The trucking industry would require a period of adjustment as their time schedules and charges are based on existing 65 and 60 miles per hour limits. Some highways already have speed limits below that of the national maximum.

In hilly country straight downhill stretches could be relaxed to 65 miles per hour to conserve energy through gaining kinetic energy for climbing a following hill.

Encourage motorists to keep cars tuned (probable 4; potential 60).

A tune up in many garages involves a replacement of spark plugs, points and condenser, along with an adjustment of the timing, carburetor gas mixture and throttle for satisfactory idling. Few adjust the carburetor using an exhaust gas analyzer. A greater number of garages test the spark sequence on a scope analyzer and the timing by a stroboscopic tachometer.

The cost of a tune up is in the order of $30 depending on the testing equipment, materials used, time taken, the number of cylinders, and on whether an air conditioning compressor has to be removed. Home maintenance can involve spark plug adjustment and replacement, and installing point/condenser kits.

Assuming a 5 percent improvement with a tune up over say 30 percent of the automobiles this might amount to 5 percent times 30 percent times 4.34 times 10^6 barrels per days equals 60 times 10^3 barrels per day.

Greater investment may improve the timing, increase the frequency of service and include more vehicles. 6 percent is probable with a voluntary program.

Encourage motorists to keep tires inflated to specification (probable 3; potential 10).

Maintaining the correct air pressure in tires minimizes the rolling resistance and tire wear.

Assuming a 1 percent improvement with correct inflation over say optimistically 25 percent of the automobiles, this might amount to 1 percent times 25 percent times 4.34 times 10^6 barrels per day equals 10 times 10^3 barrels per day; 33 percent may be probable.

It should be noted that as the tire wears in the center the pressure is reduced to wear the edges.

Encourage use of public transportation (probable 5; potential 20).

People could be encouraged to use public transportation if appropriate services were provided to coincide within the flexibilities

of employment and shopping opportunities. Criteria would include an appropriate route, transfer points, and schedule, punctuality, a fare competitive with alternatives, seating for long trips, and potential shelter in adverse weather. The pressure of increased city parking charges, street congestion and suburban commuting is becoming a positive inducement. Unfortunately the investment to maintain, replace or add to the existing public transportation vehicles for establishing a viable system is lacking. Lead times are in the order of two to three years. Removing employer subsidies on car parking for individual motorists, providing bus lanes during commuter hours and appealing to energy conscious groups may save 20 times 10^3 barrels per day, assuming 32.3 percent of 100 times 10^6 vehicles now commuting on an average of 18.8 miles per day at 13.6 miles per gallon with 1.4 occupants and a 2 percent reduction in the number of commuting autos achieved by the measures, 25 percent of this figure may be possible with a simple national appeal.

Urban transit funds are being allocated in many cities to provide public transportation.

Encourage carpooling (probable 40; potential 400).

With 10^6 barrels per day used in commuting and 1.4 occupants per car an increase of 1 occupant per car would reduce the petroleum need to 10^6 times 1.4 per 2.4 equals 580 barrels per day.

This gives a savings of about 400 times 10^3 barrels per day. With the difficulties of matching commuter needs only 10 percent of the potential savings might be realized under a voluntary program.

A few urban areas have developed commuter computer for matching needs while others have circulated questionnaires.

Encourage activity and route coordination to conserve travel (probable 130; potential 220).

Activity schedules can be coordinated in order to conserve vehicle mileage and to avoid congested routes. For example, stock sufficient groceries for a few days supply, plan the shortest shopping route, reduce frequent and range of leisure or vacation driving, use public carriers, avoid downtown travel, telephone ahead to confirm activity, use appropriate car for load, avoid step climb routes, use freeways, and reduce commuting by a 10 hour-4 day work week.

Of the 4.3 times 10^6 barrels per day national gasoline consumption by automobiles perhaps 5 per cent can be saved by encouraging a coordination of activities and routes to eliminate needless travel. Under a voluntary program 60 per cent of the potential savings may be realized, giving a value of 5 per cent times 60 percent times 4.3 times 10^6 barrels per day equals 129 times 10^3 barrels per day.

Building sector: Modify ventilation in commercial buildings (probable 50; potential 100).

Space heating for the commercial sector accounts for 2.35 times 10^6 barrels per day equivalent oil. Conservation in heating air may be accomplished by increasing the proportion of return air to fresh air by 5–10 per cent, reducing the heating or cooling of spaces not occupied by people. Changing to a 10 hour-4 day work week, and ventilating or circulating only fresh outside air when the psychrometric conditions are acceptable also reduces demand. Recirculated air should always have at least a 10 per cent fresh air content in order to control the concentration of odorous materials and pathogens.

Perhaps a 5 per cent saving could be made. Oil and gas represent 67 per cent of space heating or 5 per cent times 67 per cent times 2.35 times 10^3 barrels per day equals 80 times 10^3 barrels per day.

About 50 per cent is probable under a voluntary program.

Space cooling for the commercial sector accounts for about 800 times 10^3 barrels per day equivalent oil. Conservation in cooling air may be through increasing the proportion of return air to fresh air by 5–10 per cent, ventilating unused spaces, installing solar screens over windows, shading by trees or building orientation, avoiding a reheating of over cooled air in zone conditioners, changing to a 10 hour-4 day work week, ventilating or circulating only fresh air when the outside psychrometric conditions are acceptable, ventilating attics in summer, avoiding dark heat radiating surfaces, and thermally insulating powered equipment in spaces.

Perhaps 5 percent savings can be realized. Oil and gas represents 50 percent of space cooling or 5 percent times 50 percent times 800 times 10^3 barrels per day equal 20 times 10^3 barrels per day.

Perhaps 50 percent of this is probable under a voluntary program.

Induce building owners to thermally insulate and seal their buildings (probable 15; potential 40).

Thermal losses through the building envelope can be reduced by adding thermal insulation to the ceiling or roof spaces to a thickness of 4–6 inches, installing storm windows and doors, insulating walls and under floors, carpeting, providing double glazing or an additional glazed frame, cover windows with plastic film in winter as a temporary expedient weatherstrip around openings, and caulking cracks. Double glass with an intervening air space is not only an effective insulation but also reduces condensation on the inner glass.

Vapor barrier problems must be addressed or else water can condense in the building materials which reduces the insulation effectiveness and could decompose the materials. Films of either metal or thermoplastic materials should never be exposed to allow their temperature to become lower than the proximate air temperature or else condensation will occur. For example single sided aluminium foil batts should face downwards for winter conditions. In hot humid climates summer air conditioning reverses the situation so a thin layer of insulation such as a flock should be placed under a single foiled batt.

Ventilation is essential in any building to provide fresh air, remove foul odors, remove moisture, and to reduce the concentration of toxic gases from open fires, burning lamps, kerosene heaters, gas devices, paint fumes, lubricants, and cleaning materials. Carbon monoxide, domestic gas, sulfur dioxide, and solvents are particular problems.

During 1975 the insulation industry could provide materials to upgrade 3 times 10^6 homes with 6 inches of attic insulation or storm windows, either yielding about a 17 percent fuel saving. About 50 percent of the 45–47 times 10^6 single and double family homes are essentially uninsulated. Most electrically heated homes are already sufficiently insulated because of the relatively high cost of electricity. With a home requiring 120 times 10^6 Btu per year one might expect a potential saving of 17 percent times 3 times 10^6 times 120 times 10^6/365 times 5.8 times 10^6 barrels per day equal 29 times 10^3 barrels per day.

A retrofit investment of $100–200 could be expected for 6 inches of attic insulation for an average detached home, typically $150–$400 for storm windows and $50–100 a storm door. Lower costs may be found through a do-it-yourself installation, discount warehouses, and seasonal sales. Care should be exercised in handling insulation by wearing a mask or scarf over the nose and mouth, clothing and gloves.

With varying degrees of insulation, sealing, storm window and door application the potential residential savings may be 29x10^3 barrel per day or more with incentives, but 33 percent of the homes are likely.

In offices where the amount of energy consumption is about 33 percent that of the residential over the year, roof insulation, or double glazing, or adding a glazed frame might potentially have 10x10^3 barrels per day and perhaps realize 50 percent.

Incentives to voluntarily reduce building thermal losses will mainly stem from rising fuel prices, maintenance costs, selling value, discount purchases, and do it yourself manuals. Retroactive federal tax deductions and interest free building improvements loans for energy conservation would encourage the necessary investment.

Operation Buttonup of the Federal Energy Administration, various publications of the Department of Commerce have emphasized this action.

Encourage adjusting the space heating/cooling thermostat for broader comfort settings (probable 102, potential 410).

A furnace or air conditioning system is controlled by a thermostat in the space to be heated/cooled. By adjusting the controls from the traditional 74°F in the direction of the outside air temperature energy can be saved to the extent of the differences in setting. Most people in customary shirtsleeves begin to feel cold below about 68°F and warm or sweaty about 78°F. With cardigans/sweaters discomfort develops below 65°F. An austere comfort for roughly 20 percent of the year may not be immediately socially acceptable unless national emergencies such as a coal strike or oil embargo occur. Temperatures below 60°F can lead to condensation, home dampness and mildew growth in closets, and above 80°F in humid climates to fungus growths.

Energy use:

Space heating, residential, 3.8x10^6 barrels per day; commercial, 2.4x10^6.

Space cooling, residential, 0.43x10^6; commercial, 0.80x10^6.

Assuming a nominal average 2°F thermostat reset for all buildings in winter and in summer from a business as usual case without federal direction, 81 percent oil/gas/LPG and 8 percent electric heat usage in winter, 50 percent with electricity or other energy for air conditioning derived from oil or gas in summer, along with a 3 percent per degree in winter and 6 percent per degree in summer effectiveness, the potential savings are possibly winter: (81 percent plus 3.2 times 8 percent) 2 times 3 percent times 6.2 times 10^6 equals 346 times 10^3; summer: (50 percent) 2 times 6 percent times 1.2 times 10^6 equals 74 times 10^3/410 times 10^3 bbl per day.

About 25 percent may be realized under a voluntary program.

The General Services Administration mandatory federal program following the oil embargo used this measure as a part of their conservation program.

Encourage economic home furnace/air conditioner maintenance: (probable 5., potential 28).

Cleaning and repairing home furnaces and air conditioners can improve the combustion of fuels, the heat transfer efficiency, airflow through filters and ducts, flow of gases through flues, air through outside condenser coils, and the working of control devices. A change of season inspection and adjustment by an engineering service costs about $20–$40.

Gas pilots for starting gas furnaces may be turned off during the summer. Some people would be unable to turn off a pilot and relight it safely. Gas utility crews would need to be trained and ready for a mass fall relighting program. A pilot does avoid water condensation from cool humid air in air conditioning ducts during the summer which permits a longer duct life and overcomes dampness in the surrounding insulation.

Shutting off a gas pilot in summer saves about 1000 Btu/h times 24 h/day times 122 day/summer equals 2.92 times 10^6 Btu/summer.

For 100 percent compliance, for the 20 times 10^6 pilots still remaining on in the summer we have 100 percent times 20 times 10^6 times 2.92 times 10^6 times 470 times $10^3/10^{15}$ equals 28 times 10^3 bbl/day.

Actual savings could be 20 percent effective under a voluntary program.

Urge reduction in commercial lighting (probable 100; potential 200).

Commercial lighting accounts for over 800 times 10^3 bbl/day equivalent oil burned at the power plant. The potential savings are 50 percent with turning off unnecesary lighting, using lower wattage incandescent lamps, and roughly halving fluorescent lighting by disconnecting alternate lamps in luminaires. About half of this saving would be in the form of oil or gas.

Disconnecting fluorescent lamps can leave dark shaded areas in the luminaires which can be visually disconcerting, however, reflectors substituting lamps can reduce the shading and contrasts against a ceiling, as well as regain up to 8 percent of the luminaire illumination on tasks.

Specific task lighting should not be changed but the general spatial lighting could be modified. An electrician would be needed to disconnect fluorescent lamp transformers, but the usual maintenance crews could replace incandescent lamps to a lower wattage.

Lighting principles should be adhered to, a) maintain specific task illumination for effective contrasts in the visual field, b) avoid reflected ceiling light from luminaires or sky over the task which would reduce contrast, c) avoid excessive contrasts like looking into bare lamps or bright sky or having too dark a ceiling, and d) avoid complete diffuse lighting as this reduces shadows and makes a space appear flat. Where possible use daylight.

An aggressive voluntary program is likely to be 50 percent effective.

The Federal Energy Administration has published guidelines and case study reports for "Lighting and thermal operations" for commercial-public-industrial buildings. In commercial buildings the illuminances on work tasks/in work areas/in seldom occupied areas should be reduced to 50/30/less than 10 footcandles respectively. For specific tasks and exceptional individual viewer's requirements nonuniform supplementary lighting may be provided but not exceeding current practice. In industrial buildings the recommendations for maximum illuminances are ANSI A14.1–1973 or OSHA/30/less than 10 footcandles respectively for the work situations.

The National Institute of Occupational Safety and Health and the General Services Administration conducted a symposium on "The effects of reduced levels of illumination on occupational safety and health" in Cincinnati, July 11–12, 1974.

Urge turning off gas yard lights (probable 8; potential 35).

There are about 3.5 times 10^6 gas yard lights burning continuously night and day since they are not controlled by any photosensor switch.

Turning them all off would save 35 times 10^3 bbl per day, but less than 25 percent might be achieved under a voluntary program.

New residential developments without street lights do require yard lights for security reasons, but electric lights are more effective energy wise. Incentives might accelerate the installation of street lights to reduce the 2–4 yr lead time.

Encourage energy conscious design by builders, architects and engineers (probable 5; potential 10).

Architects have been developing a growing awareness for energy conservation recently in the design of commercial and apartment buildings. A number of new commercial buildings incorporate energy saving features such as greater envelope insulation, solar shading, more efficient control systems, using all fresh air when the outside air is at the satisfactory psychrometric condition, computer control in conjunction with a weather station, less window area, etc.

Existing commercial buildings account for energy usage of 2.3 times 10^6 bbl per day. A 10 percent savings on 10 percent of new buildings amounting to 4 percent of the present inventory being designed for 1975 will be 10 percent times 10 percent times 4 percent times 2.3 times 10^6 equal 10 times 10^3 bbl per day.

Of this 50 percent is probable.

Home builders determine the effectiveness of energy conservation in new single and double family detached housing since architects are rarely consulted. Loan and tax incentives may be appropriate here.

Reduce hot water heater thermostat setting (probable 5; potential 23).

Reducing the temperature of hot water from 140 degrees F will reduce the heat necessary to raise the water temperature and the heat loss from the storage tank and piping to the air. People will probably maintain the same water temperature for bathing and showering by using less cold water in the mixing. Dishwasher energy would rise in those fitted with an electrical resistance heater because it would switch on to bring the temperature to its internal thermostat setting. Clothes washer water temperatures will be lower since the ratio of hot to cold water is fixed. This is the major savings.

For a hot water heater assume a cold water supply about 60°F and a hot water delivery temperature of 130°F, a 10°F drop in delivery temperature will reduce the outgoing heat in the water by 14 percent. In many homes a lower thermostat setting is not possible because it reduces the total amount of energy stored in the heater tank. These tanks are often undersized already. It means for multiple baths/showers there is not enough hot water.

If laundering accounts for 33 percent of the hot water used in 50 percent of the possible homes, 75 percent gas and 25 percent electric, the savings are potentially (75 percent plus 1/2 times 25 percent) 33 percent times 14 percent times 50 percent times 1.1 times 10^6 equals 23 times 10^3 barrels per day.

Less than 25 percent is likely to be realized as people who might lower the thermostat settings are those that might cold water launder. Many nontechnically minded people would not attempt to find the hot water heater thermostat let alone make the adjustment.

Encourage cold water laundering (probable 20; potential 100).

Already cold water laundering has received publicity through the development and advertising of cold water detergents. Some items still require hot water for sterilization but this might be done separately with disinfectants, bleach, or hot water soaking. Cold washing is advantageous for cleaning and removing stains like blood. Drying times are slightly longer with cold water.

Potential savings using cold water detergents is over 100 times 10^3 barrels per day but only 20 percent may be realized voluntarily.

The cost of cold water detergents is not significantly higher than the hot water type. Thus the dollar saving for the typical family involving the shift to cold water laundering for electricity at 2 cents per kilowatt hour would be 6.3 times 10^6 Btu/year times 1/0.92 times 3416 kilowatt hour/Btu times 0.02 $/kilowatt hour equals $40 per year.

And for gas 6.3 times 10^6 Btu/year times 1/0.64 times $10^3 ft^3/10^6$ Btu times $1.19/10^6$ $/ft^3$ equals $11 per year.

Urge maintenance and reduced use of residential appliances (probable 35; potential 107).

Maintenance of devices around the home will increase their thermal efficiency and make them safer to use in most cases. Dirt around heating elements, poorly fitting electrical plugs, dirty filters in pumps or ducts, unlubricated bearings, sparking brushes on motors, dull cutting blades, etc. all contribute to energy waste. The actual amount of waste is difficult to ascertain.

Reduced use of home appliances from can openers, stoves, dryers, dishwashers, television, lighting, refrigerators, vacuum cleaners, tooth brushes, hot shaving cream dispensers, to toasters can offer considerable savings. Most of the devices depend on electricity—an inefficient indirect user of oil.

Small appliances account for about 10.7 percent of all residential electrical use which is about 601 times 10^9 kWh per year. A 3-percent reduction in their use would save 10.7 percent times 601 times 10^9 times 3 percent times 11.6 times 10^3 Btu per year equals 2.24 times 10^{12} Btu per year equals 11 times 10^3 bbl per day.

Probable savings would be about 10 percent.

Residential clothes drying in most of the one and two family homes accounts for an energy usage of 160 times 10^3 bbl per day. Clothes drying associated with these homes could be done outside on a line during warm dry days. A 33 percent savings might be possible. About 33 percent of the dryers are gas 67 percent electric. With the average annual energy consumption the same for each design the savings would be 33 percent (33 percent plus one-half times 67 percent) 160 times 10^3 equals 36 times 10^3 bbl per day. A 10 percent probable savings might be realized.

Refrigerators and freezers use in the order of 490 times 10^3 bbl per day. Energy conservation may be through setting the thermostats to a higher temperature, reducing the frequency the doors are opened, repairing gaskets to avoid air leakage, deicing regularly, and loosely packing items to afford air circulation. A potential 2 percent savings would reflect in 10 times 10^3 bbl per day but only 10 percent of this may be realized.

Incandescent lamps could be replaced with those of the next lower wattage. Luminaires could be switched off when the space in unoccupied. A nominal security lighting is advisable which can be varied to avoid revealing patterns of behavior to potential burglars. Warm fluorescent lighting might be considered to replace incandescent since they emit about twice the light for the same wattage. With savings of 100 times 10^3 bbl per day equivalent oil, 50 percent of the electricity from oil or gas, there is a potential of 50 times 10^3 bbl per day. About 60 percent of this may be realized.

Total petroleum savings rate 10^3 bbl per day (probable 810; potential 2,217).

Mr. PHILIP A. HART. Mr. President, the amendment of the distinguished chairman of the Interior Committee (Mr. JACKSON) would make four changes in the antitrust immunity provisions of S. 622. I support the amendment. The first two changes are essentially technical in nature. The word "such" on page 91, line 22, has a clearly unintended effect. The procedures set out in this provision are obviously only applicable to meetings held to develop a voluntary agreement or plan of action. They are not, contrary to the indication given by the word "such" appropriate to meetings held only

to implement or carry out such agreements or plans.

The second change relates to line 20 on page 92. This provision requires the Attorney General and the Federal Trade Commission to "participate from the beginning in the development, implementation, and carrying out of voluntary agreements and plans of action." This requirement is beyond the physical capacity of both agencies. The proposed amendment would bring the language in accord with the intention that—

The Attorney General and the Federal Trade Commission shall participate from the beginning in the development, and when practicable, in the implementation, and carrying out of voluntary agreements and plans of action authorized under this section.

The third change is somewhat more substantive. In subsection (h) there is a provision that conditions the grant of antitrust immunity on the companies acting in "good faith." FEA Administrator Frank Zarb objected to this specific language, but agreed with its purpose of "avoiding immunization of unnecessary anticompetitive actions consciously achieved under the guise of carrying out the provisions of a voluntary agreement." The fear expressed by Mr. Zarb and representatives of the petroleum industry, however, was that the good-faith standard was too vague, and second, that it could lead to harassing litigation.

Clearly, no intention existed to allow for unjustified harassment. The intention was to deny immunity to a firm which, while technically complying with the requirements of a voluntary agreement, used it as an occasion to adopt tactics which injured competition. It is quite conceivable that under a voluntary agreement a situation could arise where a firm would have several ways to carry out an agreement, all of which at least technically would be sanctioned by the agreement, yet one or more would have the effect of unnecessarily injuring competition while others would not. In such a case, it makes sense to require the firm to avoid the unnecessary injury and take the least harmful choice.

The revised language would accomplish the same objective as the good-faith language by specifically conditioning the immunity on the provision "that such actions were not taken unnecessarily and for the purpose of injuring competition." Thus, if the action taken was either unnecessary or with the intent to injure competition, antitrust immunity would not attach.

The fourth provision codifies the burden of proof intended by the provision. Defendants have the burden of proof except with respect to whether the actions were taken unnecessarily and for the purpose of injuring competition. On that issue, the plaintiff has the burden.

Mr. PROXMIRE. Because the Committee on Banking, Housing and Urban Affairs has already begun its markup of the Building Energy Conservation Standards Act of 1975, title X of S. 594, the Energy Independence Act of 1975, and expects to report this measure out within the next 2 days, I should like the chairman to clairfy the intent of the language in S. 622 covering the establishment of energy standards in residential and commercial buildings.

It is my understanding that the pending bill, and particularly sections 202 and 203, provide the President authority to establish energy conservation standards for new public structures and new homes and buildings financed under a Federal loan guarantee or mortgage program unless specific legislation covering these subjects is adopted by the Congress.

My question to the manager of the bill is the following: Is it the Senator's understanding that the provisions of S. 622 concerning energy conservation standards for private residential and commercial buildings, and public buildings, will be superseded by any specific legislation enacted into law, such as that contained in the Building Energy Conservation Standards Act now being marked up by the Committee on Banking, Housing and Urban Affairs?

Mr. JACKSON. The chairman of the Committee on Banking, Housing and Urban Affairs is correct in his interpretation.

Mr. RANDOLPH. Mr. President, I rise to the distinguished chairman of the Interior Committee (Mr. JACKSON) for a clarification of the provisions of title II—that is subsection 202(d)—governing standards for decorative and nonessential lighting.

It is my understanding that the committee intended to refrain from placing unnecessary or inequitable burdens on any individual business in the formulation of energy conservation standards. Reading from the committee report on page 50, I quote:

Decorative and other non-essential outdoor lighting accounts for a significant fraction of the energy consumed for commercial lighting. Reduction in decorative and non-essential lighting can be accomplished without placing unfair burdens on individual businesses if the reductions are accomplished across the range of competing businesses. The Committee believes that the equitable way to approach this is through the rulemaking procedure. The Committee expects that the implementation of these reductions will take into account the valuable informational content of much of commercial use of lighting.

In this regard, Mr. President, the Congress should make clear that in the exercise of this rulemaking authority it does not intend that the Administrator of the Federal Energy Administration should be able to arbitrarily prohibit or ban the category of outdoor advertising lighting, including standardized outdoor advertising, and on-premise business advertising.

These activities provide a valuable informational service for many small and medium businesses.

Mr. Persident, to demonstrate the outdoor advertising industry's interest in energy conservation I ask unanimous consent to place in the RECORD the Outdoor Advertising Association's letter dated March 26, 1975, to former Secretary of Commerce Fred B. Dent.

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

OUTDOOR ADVERTISING ASSOCIATION OF AMERICA, INC.,
Washington, D.C., March 26, 1975.

Re: Energy Conservation.

Hon. FREDERICK B. DENT,
Secretary of Commerce,
Washington, D.C.

DEAR MR. SECRETARY: After attending your briefing on long and short term energy goals and upon receipt of your correspondence of January 16, 1975, I as Vice Chairman of the Outdoor Advertising Association of America, Inc., have set about advising our Association of the need for an energy program. As you suggested, such a program must have reasonable goals and a definitive reporting system.

In the last few weeks, I have conveyed these thoughts to the OAAA Executive Committee. In turn, this select group, involved directly in the business of advertising outdoors, has agreed to serve in a dual role as the Executive Advisory Committee to our members, as well as the Energy Conservation Committee.

In accordance with your January 16, 1975 communique, our Washington office will be set up to immediately provide our membership with a reporting system on energy use and conservation. This office will also take responsibility of providing quarterly energy survey reports to our Association members.

As to a report on energy conservation to be directed to your attorneys, we can provide this; however, our total national electrical energy consumption varies between .022% and .023% of all the electrical energy consumed. We therefore await word from your office as to whether you want this type of report.

Our Assocation has established several conservation plans. They are:

1. All illuminated standardized outdoor signs will be turned off at midnight.

2. Many of our members have converted their signs from incandescent to fluorescent lighting. This conversion has reduced electrical consumption by nearly 40 percent.

3. All unsold signs will have the electrical current shut off.

4. Careful maintenance and frequent inspections will be conducted by our Association members to make sure that electrical consumption is not abused by poor maintenance.

5. Time clocks will be promptly adjusted as Daylight Savings Time creates time changes.

6. The members will reduce their electrical consumption at their place of business by adopting conservation plans.

7. Drivers of all vehicles are carefully schooled to obey the traffic and speed laws so as to reduce gas consumption.

8. Routing of workers will be reviewed so as to cut down on unnecessary use of vehicles and gas.

In addition to these on-going programs, one of our members has developed a revolutionary ballast. This innovative device is now in the Underwriters Laboratory. When it is approved for field use it will reduce electrical consumption by approximately 30%.

Also, we have been in contact with the producers of fluorescent lamps. We understand that soon there will be available fluorescent tubes called Watt Misers. We understand these new tubes can reduce electrical consumption up to 20%.

In summary, I feel confident that the Outdoor Advertising Association of America and its members have placed energy conservation on a high plane and will continue to do more than their share for energy conservation.

Finally, I want you to know that several members have contributed hundreds of thousands of dollars worth of advertising to Fed-

eral Projects, such as the National Ad Council's "Don't Be Fuelish".

Sincerely,

HARRY T. GOSS,
Vice Chairman, OAAA Board of Directors.

Mr. RANDOLPH. Mr. President, I ask the chairman of the Interior Committee (Mr. JACKSON) to clarify the intent of the committee with regard to the standards promulgated under subsection 202 (d) governing decorative and nonessential lighting. In what regard, if any, did the committee intend that the category of advertising lighting be included?

Mr. JACKSON. The Senator from West Virginia has stated the intent of the committee with respect to the question of any reduction in energy consumption for decorative and other nonessential lighting correctly. In no sense does the committee intend the arbitrary prohibition of any category of outdoor advertising lighting. What the committee does contemplate is a program to improve the efficiency of energy use for this purpose which is applied evenly and equitably to all affected businesses. The committee further intends and expects that the businesses which would be affected by proposed regulations will have ample opportunity to comment on, and propose revisions to, those regulations in an effort to increase the effectiveness of the energy conservation effort and to minimize the economic impact of the regulations, especially with respect to small business. The goal of title II is the organization of effective energy conservation programs constructed with a maximum of input by those most directly affected. It is also assumed in title II that energy conservation can be achieved without the ruinous effects on the economy which would result if the administration's program of energy rationing by prohibitive pricing were enacted.

The letter from the Outdoor Advertising Association of America, Inc., which the Senator from West Virginia has introduced into the RECORD indicates the kind of cooperation in devising sensible programs which can be obtained from the commercial sector. The committee expects that input such as this will play a role in the implementation of sections 202, 203, and 204 of title II.

Mr. BELLMON. Mr. President, I urge that S. 622 be defeated. This legislation is fatally flawed beyond any hope of perfecting it through amendment.

This legislation was originally hastily thrown together to meet the exigencies of the Arab oil embargo over a year ago. Subsequent redrafting has not improved it and the original purposes it served no longer even exist. A more prudent course, Mr. President, would be to start over to design legislation specifically directed, and limited, to the contingencies likely to exist in the case of some future embargo.

Specifically, we should not arm the President with broad emergency powers far exceeding any he is likely to need to cope with the short-term situation presented by an embargo and subject those powers only to a 10-day congressional review period. We must stop delegating our job to the President. We can legislate to deal with the specific situation when it presents itself. The President does not need power extending over 2 years in the future to control prices and allocate petroleum products, allocate material and prohibit exports. We have seen much abuse of such powers in agricultural commodities. These powers will likely be similarly abused if extended to energy sources.

We must decontrol the price of "old" crude oil. The present program is working a great injustice and hardship. In addition, the inequity of paying two different prices for the same product is both unfair and irritating to both consumers and producers. There is no justification for holding down the price of "old oil" to one-half the world market price. If it is in the national interest to make this Nation self-sufficient in oil production, then it is absolutely essential that wasteful uses of energy be discouraged and that rapid exploration and production be encouraged. Exploration will require large infusions of capital. Ending price controls over "old oil" will be a major assistance in this effort especially after the heavy new tax burden which was levied against the oil industry in the tax bill recently passed by Congress. No group or bureau, no matter how well intended, can successfully substitute their judgment for the judgment of the marketplace over a long period of time.

Moreover, a continuation of price control and allocation authority will soon have us in the same place with oil that 20 years of regulation of natural gas has put us. Not only will we have insufficient oil, but regulations will continuously spawn new regulations and breed inconsistencies that will create endless delay and paralysis in efforts to increase production. A good example is the way the crude oil equalization program is bankrupting the very people it was trying to help—the small refiner.

One of our best hopes for increasing domestic oil production is to encourage secondary and tertiary oil recovery. The price required to bring in such oil will vary considerably and it will be much higher. Only the market can determine the proper variation and levels.

Mr. President, I urge the defeat of this legislation so that market forces can again be brought into play and so that incentives to produce and means of production can be restored to the energy industry.

Mr. ALLEN. Mr. President, I am referring to the two paragraphs giving consideration to the needs of the handicapped and persons who are required to relocate for health or unemployment purposes which are to be found in the section entitled "End-use Rationing" on page 33 of the committee's report No. 94–26. My question is this: Does this language include the situation where a soldier or an unemployed person needs fuel to move his family's personal possessions for essential and purposeful reasons in a trailer which may be rented or borrowed or which may belong to him?

Mr. JACKSON. Mr. President, yes; my answer would be yes. In response to a similar question by my distinguished colleague from Alabama during floor discussion on this same subject in 1974 he was answered in the affirmative. Our intent has not changed since that time. By incorporating in the committee report the two passages cited by my esteemed colleague, it is the intent of the committee that, insofar as it may be possible, and consistent with the other provisions of this act and of the Emergency Petroleum Allocation Act, end-use rationing or other allocation plans should accommodate the handicapped and the do-it-yourself movement of people with their possessions from one job site to another during times of national stress.

ORDER FOR ADJOURNMENT UNTIL 9:15 A.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until the hour of 9:15 tomorrow.

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

ORDER FOR RECOGNITION OF SENATOR HATFIELD TOMORROW

Mr. ROBERT C. BYRD, I ask unanimous consent that after the two leaders or their designees have been recognized under the standing order tomorrow, and prior to the orders previously entered into for the recognition of other Senators, the Senator from Oregon (Mr. HATFIELD) be recognized for not to exceed 15 minutes.

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

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business.

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

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

PROGRAM

Mr. ROBERT C. BYRD. Mr. President, the program for tomorrow is as follows:

The Senate will convene at the hour of 9:15 a.m.

After the two leaders or their designees have been recognized under the standing order, the Senator from Oregon (Mr. HATFIELD) will be recognized for not to exceed 15 minutes, after which the Senator from South Dakota (Mr. ABOUREZK) will be recognized for not to exceed 15 minutes, after which the Senator from Wisconsin (Mr. PROXMIRE) will be recognized for not to exceed 10 minutes.

At the conclusion of those orders, the Senate will go into executive session to consider the nominations on the executive calendar, beginning with the Federal Elections Commission.

Under the order previously entered, there will be a 1-hour limitation of debate on the nomination of Mr. Neil Staebler, of Michigan, to be a member of the Federal Elections Commission.

Upon the expiration of that hour, or upon the yielding back of such time as Senators who are in control thereof may wish to yield back, a vote will occur on the motion to recommit the nomination by Mr. McCLURE. If that recommittal motion is not agreed to, the vote will then occur immediately on the nomination of Mr. Staebler.

If the order has not been previously entered, I ask unanimous consent that there be no debate at this time on the other nominations.

As I understand, no Senator has asked to debate the other nominations. All the other nominations were reported out of the Rules Committee unanimously.

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

Mr. ROBERT C. BYRD. Upon the disposition of the vote on the recommittal motion, if it is in the affirmative, the Senate will then proceed to the consideration of the remaining nominations on the executive calendar, and without debate and, in the alternative, if the recommittal motion fails, and following the vote on the nomination of Mr. Staebler, the Senate will proceed to the consideration of the other nominations on the calendar, and I ask unanimous consent that that be done without debate.

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

Mr. ROBERT C. BYRD. On the disposition of the nominations on the executive calendar, under the previous agreement the Senate will move to the consideration of Calendar No. 29, S. 66, a bill to amend title VIII of the Public Health Service Act to revise and extend the programs of assistance under that title for nurse training and to revise and extend programs of health revenue sharing and health services.

There is a 1-hour limitation on the bill; there is a limitation of 30 minutes on any amendment, with the exception of an amendment by Mr. BARTLETT on which there is a 2-hour limitation.

Rollcall votes will occur on amendments to that bill and undoubtedly on final passage thereof and, as I have already indicated, there will be a rollcall vote on the recommittal motion by Mr. McCLURE, the yeas and nays having already been ordered.

On the disposition of that bill, S. 66, the Senate will then proceed to the consideration of Calendar Order No. 57, S. 229, a bill to amend the Endangered Species Act of 1973 to make it more consistent with the Marine Mammal Protective Act of 1972.

There is a time limitation of 1 hour on that bill, with 30 minutes on any amendment. Rollcall votes may occur, undoubtedly they will occur and, upon the disposition of that measure, the Senate will then resume consideration of the unfinished business, S. 622, the energy bill.

The pending question at that time will be on the adoption of the amendment by Mr. FANNIN, and he is to be assured of 1 hour on that amendment, to be equally divided regardless of the time of day.

The Senate will proceed to vote at no later than 5 p.m. on the passage of the bill, with the usual understanding that any amendments that have not been called up prior to that time, and which sponsors may wish to call up, can be voted on, even though the hour of 5 p.m. will have arrived without debate.

So, in summation, there will be several rollcall votes tomorrow and, in accordance with the assurance earlier given by the distinguished majority leader and myself, the Senate will then stand adjourned until the hour of 8:20 p.m. tomorrow evening, and I so ask unanimous consent.

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

Mr. ROBERT C. BYRD. This will allow Senators to gather for the procession over to the other body to attend a joint session which will be addressed by the President of the United States tomorrow evening at 9 p.m.

ORDER FOR ADJOURNMENT FROM THURSDAY UNTIL 10 A.M. MONDAY, APRIL 14, 1975

Mr. ROBERT C. BYRD. I ask unanimous consent, Mr. President, that upon the conclusion of the President's address tomorrow night the Senate stand in adjournment until the hour of—this can be changed tomorrow if necessary—10 a.m. on Monday next.

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

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

ORDER FOR RECESS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, in lieu of the motion to adjourn after the close of business tomorrow afternoon, until the hour of 8:20 p.m., I substitute the motion that the Senate then stand in recess until the hour of 8:20 p.m. tomorrow.

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

ADJOURNMENT TO 9:15 A.M.

Mr. GRIFFIN. Mr. President, in accordance with the previous order, I move that the Senate stand in adjournment until 9:15 in the morning.

The motion was agreed to; and at 6:39 p.m., the Senate adjourned until tomorrow, Thursday, April 10, 1975, at 9:15 a.m.

NOMINATIONS

Executive nominations received by the Senate April 9, 1975:

AMBASSADOR

Laurence W. Lane, Jr., of California, for the rank of Ambassador during the tenure of his service as Commissioner General of the U.S. Exhibition at the International Ocean Exposition to be held in Okinawa, Japan in 1975.

ENERGY RESEARCH AND DEVELOPMENT

Alfred D. Starbird, of Virginia, to be an Assistant Administrator of Energy Research and Development (new position).

FEDERAL POWER COMMISSION

James G. Watt, of Wyoming, to be a member of the Federal Power Commission for the term expiring June 22, 1979, vice Albert Bushong Brooke, Jr., resigned.

DEPARTMENT OF STATE

The following-named Foreign Service information officers for promotion in the Foreign Service to the classes indicated:

Foreign Service Information Officers of class 1:

Edward Alexander, of New York.
Arthur A. Bardos, of Maryland.
A. T. Falkiewicz, of Florida.
Clifton B. Forster, of Maryland.
Donald Y. Gilmore, of Virginia.
William G. Hamilton, Jr., of Maryland.
James A. McGinley III, of Florida.
James C. McIntosh, of Massachusetts.
Isa K. Sabbagh, of Maryland.
Clifford E. Southard, of Illinois.

Foreign Service Information Officers of class 2:

Leonard J. Baldyga, of Virginia.
James E. Bradshaw, of Tennessee.
Stanton H. Burnett, of Washington.
Robert D. Cross, of Maryland.
Alan H. Dodds, of Nevada.
Ann Eckstein, of California.
John E. Graves, of Virginia.
Daniel J. Hafrey, of Minnesota.
Sidney L. Hamolsky, of the District of Columbia.
Roy W. Johnson, of New Jersey.
Roger M. Lydon, of California.
George E. Miller, of Virginia.
Robert L. M. Nevitt, of Virginia.
Edward T. Pinch, of Virginia.
William A. Rugh, of New York.
Edward H. Schulick, of New Jersey.
Norris P. Smith, of California.
Irwin K. Teven, of Illinois.
Walter P. White, Jr., of Alabama.
Stanley A. Zuckerman, of Texas.

Foreign Service Information Officers of class 3:

Sime H. Adelman, of Ohio.
Barry E. Ballow, of California.
Charles L. Bell, of Ohio.
Philip C. Brown, of Pennsylvania.
Dino J. Caterini, of Ohio.
Robert R. Cohoes, of Nebraska.
Allan B. Croghan, of California.
Francis T. Donovan, of Virginia.
Joel Anthony Fischman, of Massachusetts.
Ramon Garces, of Texas.
John D. Garner, of Arkansas.
David D. Grimland, of Texas.
Vincent J. Hovanec, of Florida.
Carl D. Howard, of the District of Columbia.
William L. Jacobsen, Jr., of Washington.
Irwin S. Kern, of New York.
Jerry E. Kyle, of California.
Alfred A. Laun III, of Wisconsin.
Lewis R. Luchs, of Maryland.
John F. McDonald, of Maine.
Robert A. Merian, of Indiana.
Robert S. Meyers, of California.
Gary G. Morley, of Texas.
Jerry Lincoln Prillaman, of Virginia.
Christopher W. S. Ross, of California.
Richard C. Schoonover, of California.

John Watkins Simmonds, Jr., of Pennsylvania.
Leon M. S. Slawecki, of New Jersey.
David Wei-Tsi Wang, of New York.
David M. Wilson, of Massachusetts.
Foreign Service Information Officers of class 4:
Sarah R. Anderson, of West Virginia.
Melvin I. Cariaga, of Hawaii.
Paula J. Causey, of Virginia.
Ronald D. Clifton, of Florida.
R. Don Crider, of Florida.
Bernard Engel, of Maryland.
Gail J. Gulliksen, of Colorado.
L. Michael Haller, of Illinois.
David W. Hess, of Iowa.
Thomas A. Homan, of Illinois.
Hugh James Ivory, of New York.
Thomas F. Johnson, of New York.
David K. Krecke, of Michigan.
Caroline V. Meirs, of New Jersey.
Robert P. Milton, of Georgia.
Gary R. Nank, of Ohio.
Michael J. Nugent, of Pennsylvania.
Michael F. O'Brien, of California.
Robert Petersen, of Ohio.
Joanne A. Rinehart, of Pennsylvania.
Douglas S. Rose, of California.
Richard F. Ross, of Florida.
Janet E. Ruben, of Pennsylvania.
Daniel Scherr, of New York.
Andrew D. Schlessinger, of New York.
E. David Seal, of Missouri.
Cornelia M. Sheahan, of New York.
Jonathan L. Silverman, of New Jersey.
Thomas E. E. Spooner, of Michigan.
John A. Swenson, of Wisconsin.
Thomas W. Switzer, of Colorado.
Lawrence M. Thomas, of Tennessee.
Kenneth A. Yates, of Connecticut.
Foreign Service Information Officers of class 5:
Cesar D. Beltran, of California.
Michael L. Braxton, of the District of Columbia.
Bruce K. Byers, of Virginia.
Susan Ann Clyde, of the District of Columbia.
Margaret M. Converse, of New York.
Albert W. Dalgliesh, Jr., of Michigan.
Howard E. Daniel, of New Jersey.
Janet C. Demiray, of Virginia.
Fredric A. Emmert, of Michigan.
Philip C. Harley, of North Carolina.
Wendell N. Harrison, of Florida.
Robert C. Heath, of California.
Francis William Lowrey, of New Mexico.
Roy M. Payne, of Texas.
William T. Peters, of Michigan.
Edith E. Russo, of Virginia.
M. Kathleen Schloeder, of Virginia.
Van S. Wunder III, of Ohio.
Foreign Service Information Officers of class 6:
George P. Bonjoc, of California.
Stephen Mark Dubrow, of Florida.
Richard D. Gong, of New Jersey.
Arthur E. Green, of New York.
Andre N. Gregory, of California.
Robert B. Hall, of Oregon.
Patricia J. Moser, of Maryland.
Foreign Service Information Officer of class 7:
Sheila West Austrian, of California.

IN THE NAVY

Vice Adm. William P. Mack, U.S. Navy, for appointment to the grade of vice admiral on the retired list, pursuant to the provisions of title 10, United States Code, section 5233.

Rear Adm. Parker B. Armstrong, U.S. Navy, having been designated for commands and other duties of great importance and responsibility commensurate with the grade of vice admiral within the contemplation of title 10, United States Code, section 5231, for appointment to the grade of vice admiral while so serving.

IN THE ARMY

The following-named person for appointment in the Regular Army of the United States, in the grade specified, under the provisions of title 10, United States Code, sections 3283 through 3294 and 3311:

To be captain

Squires, Grace E., [redacted].

IN THE NAVY

The following-named (Naval Reserve Officers Training Corps candidates) to be permanent ensigns in the line or staff corps of the Navy, subject to the qualifications therefor as provided by law:

Rufus Addison	Olaf P. Langness
Robert M. Barringer	Roc A. Lastinger
Michael R. Blehm	Charles W. Madsen
Robert D. Bradley	Bert Marsh
Felix C. Chambers	Richard J. Meyer
Christopher Clatereos	Patrick M. O'Day
George E. Clausen	Jeffrey M. Schweiger
Robert D. Crawford	Randall W. Shafer
Brian F. Delaney	Brian H. Solomon
Donald L. Duplessis	Ralph M. Soto
Ulysses Fitzpatrick	Donald H. Stewart, Jr.
Alfred G. Kelley III	William B. Stewart
Larry S. Klapper	Ralf H. Stinson II
Samuel B. Knight	Loren D. Turner
Frank M. Laboureur	Roger L. Zinn

Paul A. Kandler (ex-USN officer), to be appointed a temporary commander in the medical corps in the reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

Eli L. Rantanes and John B. Winterling (civilians) to be appointed permanent captains in the line in the reserve of the Navy, subject to the qualifications therefor as provided by law.

William McManus (ex-USNR officer), to be appointed a permanent captain in the line in the reserve of the Navy, subject to the qualifications therefor as provided by law.

James W. Horn (ex-Army officer), to be appointed a permanent commander in the line in the reserve of the Navy, subject to the qualifications therefor as provided by law.

Robert P. Kay (Naval Reserve officer), to be appointed a permanent commander in the line in the reserve of the Navy, subject to the qualifications therefor as provided by law.

Harold R. Schumacher (ex-USN officer), to be appointed a permanent commander and temporary captain in the medical corps in the reserve of the U.S. Navy, subject to the qualifications therefor as provided by law.

Kenneth C. Castor, Jr. and Edgar B. Johnson (Naval Reserve officers), to be appointed permanent lieutenants in the Medical Corps in the U.S. Navy, subject to the qualifications therefor as provided by law.

Peter F. W. Keurs and William R. Hambidge (Naval Reserve officers), to be appointed permanent lieutenants and temporary lieutenant commanders in the Medical Corps in the U.S. Navy, subject to the qualifications therefor as provided by law.

William B. Mahaffey (Naval Reserve officer), to be appointed a permanent lieutenant commander and temporary commander in the Medical Corps in the U.S. Navy, subject to the qualifications therefor as provided by law.

Owen G. Blackwell (Naval Reserve officer), to be appointed a permanent commander in the Medical Corps in the U.S. Navy, subject to the qualifications therefor as provided by law.

Robert W. Antos and Eugene H. Kunitake (Naval Reserve officers), to be appointed permanent lieutenants (junior grade) and temporary lieutenants in the Dental Corps in the U.S. Navy, subject to the qualifications therefor as provided by law.

The following-named (Naval Reserve officers), to be appointed permanent lieutenants in the Dental Corps in the U.S. Navy, subject to the qualifications therefor as provided by law:

Fred E. Sheinbein	Michael J. Tabacco
David E. Sintek	Bruce E. Westover

Stephen L. Nelson and Michael W. Parker (Naval Reserve officers), to be appointed permanent lieutenants and temporary lieutenant commanders in the Dental Corps of the U.S. Navy, subject to the qualifications therefor as provided by law.

Thomas H. Sugg (Naval Reserve officer), to be appointed a permanent lieutenant commander and temporary commander in the Dental Corps in the U.S. Navy, subject to the qualifications therefor as provided by law.

Harry C. Benson (civilian college graduate) to be appointed a permanent commander in the Medical Corps in the Reserve of the Navy, subject to the qualification therefor as provided by law.

IN THE MARINE CORPS

The following-named (Navy enlisted scientific education program) graduate for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Tierney, Michael

The following-named (U.S. Air Force Academy) graduate for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Palmer, Steven M.

IN THE MARINE CORPS

The following-named (chief warrant officers/warrant officers) for temporary appointment to the grade of first lieutenant in the Marine Corps, for limited duty, subject to the qualifications therefor as provided by law:

Aaron, Garland G.	Kennedy, Michael B.
Alger, Duff E.	Krebs, George D.
Allen, Homer L.	Kunkle, Raymond L.
Ambrose, Constantine G.	Ladnier, Donald R.
	Laws, Thomas L.
Anderson, Curtis E.	Lewis, John F.
Anderson, James L.	Lucus, Gary A.
Appl, Ferdinand J., Jr.	Mackie, Merle E., Sr.
Bickel, Raymond R., III	Magallan, Jose
	Marsh, Benjamin A.
Bostwick, Robert W.	Martin, Darrell F.
Bowser, Reganold A.	Martin, Larry A.
Brisson, James J.	Mathis, Jack D.
Brogdon, Ronald G.	Meierdierks, Marlen B.
Brooks, John V., Sr.	Meyer, Leslie A.
Bryant, Murray W.	Miller, Daniel E.
Bush, Donald N.	Molko, John
Buss, Curt C.	Moorhead, Robert D.
Carter, Nearlin, Jr.	Morris, Allen R.
Catlett, Douglas M.	Morton, James L.
Cauble, John D., Jr.	Ochoco, Sam G.
Christiansen, Richard W.	Pannell, Roland N., Jr.
Conner, James R.	Parise, Angelo S.
Corley, William B., Jr.	Peters, Jimmie F.
Corpus, Lazaro, Jr.	Prevost, Paul J.
Cote, Wayne R.	Rhoads, Virgil G.
Cothran, James A.	Rice, Gordon A.
Creech, Oscar E.	Richardson, Carl S.
Davenport, John W.	Schuette, Walter R.
Day, Herbert L.	Simpson, Theron, Jr.
Deckert, George F., III	Sisson, Wilbert O.
Delagarza, Oscar, Jr.	Smith, Charles L.
Deline, Donald F.	Stannard, Clinton D.
Doggett, Donald L.	Stewart, John F.
Driver, Joe H.	Stockman, Robert T.
Edgerton, James M.	Sunn, Steven E.
Eskam, Donald T.	Thompson, Gary O.
Gaston, Michael W.	Troutt, Donald R.
Gomes, Joseph F., Jr.	Walker, Francis R.
Gregg, Richard L.	Waller, Frederick M., Jr.
Grzanich, Philip A.	Weigley, Paul R.
Henry, Marvin W.	White, Richard H.
Jackson, Lowell B.	Williams, Arthur P.
Jackson, Raymond T.	Wilson, Cecil E.
Jonely, Richard C.	Wolfe, Richard K.
Kathrein, Charles J.	Wright, Billy E.
Keith, Harold A.	Zurface, Robert F.

The following-named (staff noncommissioned officers) for temporary appointment to the grade of second lieutenant in the Marine Corps, for limited duty, subject to the qualifications therefor as provided by law:

Ames, Dennis W.
Baca, Francisco P.
Barnes, James R.
Bone, Acie
Boyd, Christopher
Brittain, Jackie L.
Brush, Roy E.
Bryan, Gary L.
Cerveny, Dennis A.
Coggins, George M., Jr.
Davison, Louis E.
Deshotel, James H.
Donahue, Herbert W., Jr.
Fisher, Jerrold R.
Freund, Maurice H.
Gerende, Joseph J.
Good, James H.
Harris, Peter L.
Hendricks, Lewis B.
Hickman, Morris B., Jr.
Hilbert, Dale A.
Hladik, Donald L.
Hullaby, Lester C.
Isa, Ronald Y.
Keeley, Elton J.
Koehler, Karl E.
Largue, James, III.
Larson, Roger D.
Laughlin, Robert L.
Levan, Richard W.
Marceau, David B.
Markow, Lorin J.
McClure, Jerry C.
McKay, Donald R.
Miller, James, Jr.
Morris, Wilford
Nilson, George D.
Ogg, Robert C., Sr.
Priseler, Robert E.
Relf, Harry, Jr.
Sands, Richard F.
Shaw, Donald R.
Singletary, Arthur
Stokes, Niles E.
Thomas, John E.
Vaillancourt, Allen L.
Wifler, Francis M.
Williams, Wilbur L.
Wimsett, Gary D.
Youmans, Jerry A.

The following-named (Naval Reserve Officer Training Corps) graduate for permanent appointment to the grade of second lieutenant in the Marine Corps, subject to the qualifications therefor as provided by law:

Jones, Dwight W.

The following-named temporary disability retired officer for reappointment to the grade of major in the Marine Corps, subject to the qualifications therefor as provided by law:

Harris, William D.

EXTENSIONS OF REMARKS

THE CHILD AND FAMILY SERVICES ACT OF 1975

HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1975

Mr. BINGHAM. Mr. Speaker, as a sponsor of H.R. 2967, the Child and Family Services Act of 1975, I am deeply interested in speedy action on this legislation. This bill represents the accumulated knowledge of 5 years of congressional investigation of the Nation's child care needs and how they can best be met.

In December of 1971, Congress passed the Child Development Act, only to see it vetoed by former President Nixon. The need for child care legislation has since urgently increased. In the period from 1970 to 1973 alone, the number of children with working mothers increased by 650,000, while average family disposable personal income fell by approximately 5 percent. In other words, there are more working parents, but they are less able to afford day care for their children.

Thirty-two million women in America work, whether out of necessity or desire, yet our present day care facilities are a hodgepodge of uncoordinated private, State and local efforts. Young children are often left to care for themselves, or are subjected to other makeshift arrangements. The disadvantages suffered during these important learning years threaten a child's physical and intellectual development. This problem is particularly acute in New York City where even the simplest facilities are few in number, despite the fact that State and local governments are straining to make improvements. Although the Federal Government does offer some assistance, it is not enough. Congress must initiate convenient, quality day care in the United States by approving this legislation.

The Child and Family Services Act of 1975 is a comprehensive measure designed to meet the educational, medical, and nutritional needs of young children and their families with in-home and center-based day care, educational programs for primary school students, prenatal care for mothers and babies, and special programs for handicapped, minority, ethnic, and migrant children and families. Although priority would be given to the socially and economically disadvantaged, the services set forth in this act would be made available to all who requested them. Funding is also authorized for such purposes as the training of personnel, construction and operation of facilities, and research and evaluation, to be administered by State and local sponsors and private agencies with community participation and parental involvement encouraged. The Child and Family Services Act is a flexible plan which can be adopted to the needs of individual families and communities.

I anticipate that some of my colleagues might oppose action on this bill in light of the economic woes confronting us. Why should we recommend a measure that would free more single parents and women to enter the already tight job market, and why should we appropriate more Federal dollars in light of a huge budget deficit?

In the first instance, this bill addresses itself to the needs of children whose parents, or single parent, are already working or those children whose mothers are at home, but whose families need assistance because of illness in the family, emotional disturbances, physical handicaps, or inferior living conditions. Recent national figures indicate that there are aproximately 33 million children under the age of 18 in need of child care, while licensed child care arrangements exist for less than 1 million. This means that nearly 32 million children are not properly cared for. It is these children, whose parents, or parent are already part of the labor force, whom we must help.

Inflation has driven the cost of day care out of the reach of more and more families, yet the need for quality day care is still present. As male unemployment goes up, more women are taking jobs, both part and full-time, to help out their families financially. It is often the wage earnings of the mother that keep a family from falling below the poverty line and onto the welfare rolls. For single parent families, good day care can free the parent to seek and maintain employment, knowing that his or her children are well cared for.

As for any difficulties my colleagues may have in justifying a vote to authorize more Federal spending at the rate of $1.8 billion over a 3-year period, I ask them to consider the long run benefits of the Child and Family Services Act, not only to children and families, but ultimately to all Americans. Any money spent on day care, medical assistance for mothers, and other family services is a sound investment which will pay off in the future in terms of lower crime rates, and happier, healthier citizens. Moreover, the economy would be bolstered by investment in child care programs because numerous jobs for both professionals and nonprofessionals would be created by this legislation.

AN OVERSIGHT PANEL AT WORK

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 9, 1975

Mr. ULLMAN. Mr. Speaker, at this time I would like to take a moment to praise our colleague, Congressman L. H. FOUNTAIN, whose hard work and patient skill are receiving a belated but growing acknowledgment. L. H. FOUNTAIN is probably the best detective we have in the House, and he has done his work of overseeing portions of our Federal bureaucracy with perseverance and without fanfare.

As you know, Mr. Speaker, the House recently moved toward creation of several more subcommittees specifically charged with oversight—an acknowledgment that our Federal Government is large and that congressional intent and public interest can be watered down over a period of years. I am very pleased that among the new subcommittees on the Ways and Means Committee is one aimed directly at overseeing how our tax laws and welfare systems are administered. But it seems to me there is no better model than L. H. FOUNTAIN on how to be a watchdog and detective. He has consistently done his homework methodically and painstakingly, and he has produced results. A recent article in Congressional Quarterly focuses on the work of our colleague, L. H. FOUNTAIN, and I submit it for the RECORD:

AN OVERSIGHT PANEL AT WORK

For 11 years, Rep. L. H. Fountain (D N.C.) has kept a quiet but close watch over the Food and Drug Administration (FDA). It seldom has brought him headlines or time on the television evening news. But among Capitol Hill observers Fountain's work is considered an excellent example of thorough, steady congressional oversight—often producing significant benefits for the public.

Since 1973 alone, Fountain has forced the FDA to bar the use of diethylstilbestrol (DES), as a food additive or implant in animals, and to withdraw final approval of Depo-provera as a long-acting, injectable contraceptive for women. Both chemicals were suspected of causing cancer.

As chairman of the House Government Operations Subcommittee on Intergovernmental Relations, Fountain rarely uses hearings to keep tabs on FDA.