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PROCEEDINGS AND DEBATES OF THE 95th CONGRESS, FIRST SESSION

SENATE—Friday, July 1, 1977

(Legislative day of Wednesday, May 18, 1977)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Acting President pro tempore (Mr. METCALF).

PRAYER

The Reverend Dr. Karl B. Justus, executive director, Military Chaplains Association of the United States of America, offered the following prayer:

Almighty and everlasting God, who hath made and preserved us a nation, we thank Thee for our heritage of freedom.

Accept our gratitude for Thy providence—which has guided America's destiny through war and peace—shadow and sunshine—tragedy and triumph.

As this Nation was forged in the fires of the American Revolution, so may our hearts flame anew with patriotic devotion.

We invoke Thy grace and blessing upon these Senators who help to guide this Nation from this hallowed Chamber: Yea, upon all Government leaders—and upon the President of the United States.

Grant each of them vision, wisdom, strength, and courage "for the facing of this hour." Unafraid, we face the future with faith.

In Thy holy name, we pray. Amen.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Journal of the proceedings of yesterday, Thursday, June 30, 1977, be approved.

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

COMMITTEE MEETINGS

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

Mr. BAKER. Mr. President, reserving the right to object, I once again have an objection on this side to the Judiciary Committee meeting during the session of the Senate today.

I wonder if the majority leader could reframe the request in that way, to exclude that committee, so it would not be necessary to object to it.

CXXIII—1382—Part 18

Mr. ROBERT C. BYRD. Yes. Mr. President, I so modify my request.

The ACTING PRESIDENT pro tempore. Without objection, the request, as modified, is agreed to.

ORDER OF BUSINESS FOR JULY 11

Mr. ROBERT C. BYRD. Mr. President, has the order been entered for action by the Senate on the ERDA nuclear authorization measure on Monday, July 11, immediately upon the disposition of the nomination on the calendar, on which there is a time limitation, of Robert Harry Nooter?

The ACTING PRESIDENT pro tempore. There is not an order entered. There is an authorization for the leadership to call it up at any time on that date.

Mr. ROBERT C. BYRD. There is?

The ACTING PRESIDENT pro tempore. Or afterward, yes.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that upon the disposition of the nomination of Mr. Robert Harry Nooter of Missouri on Monday, July 11, and upon the request being made for the notification of the President if the nomination is confirmed, the Senate be returned to legislative session, and that at that time the Senate proceed to the consideration of the ERDA nuclear authorization bill.

Mr. BAKER. Mr. President, reserving the right to object, and I do not intend to object, I merely wish to say that that clearly was the intention of the agreement, and I think that is the way most people understand that we will proceed. So I am delighted that the majority leader has made this unanimous-consent request at this time, and we have no objection to it.

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

Mr. ROBERT C. BYRD. Mr. President, was an order not entered on last evening that upon the return of the Senate on Monday, July 11, following the recognition of the two leaders under the standing order, or following orders for recognition of Senators for speeches, if such orders be entered, or following routine morning business, if there be such, the Senate go into executive session to pro-

ceed to the consideration of the Nooter nomination?

The ACTING PRESIDENT pro tempore. The Chair understands that that was the order entered.

Mr. ROBERT C. BYRD. I thank the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee is recognized.

THE PLUTONIUM AGE

Mr. BAKER. I would like to invite the attention of my colleagues to excerpts from a June 18 speech which was made by Senator FRANK CHURCH and reprinted in today's Washington Post.

Senator CHURCH points out that America's self-imposed denial of the fast breeder and plutonium recycling technologies will run the grave risk of leaving an international vacuum which is an invitation to nuclear anarchy.

I consider the spread of nuclear weapons to be one of the most serious problems that faces the world today. Senator CHURCH's proposals to build upon the existing international system of safeguards and work with the International Atomic Agency member countries to devise a framework for living with plutonium should be considered by the Senate.

Mr. President, the policy to control the proliferation of nuclear weapons which is outlined in the excerpts of this speech appears to be a more realistic alternative to the administration's policy. I ask for unanimous consent that the excerpts from Senator CHURCH's speech be printed in the RECORD.

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

[From the Washington Post, July 1, 1977]
LIKE IT OR NOT, IT'S THE PLUTONIUM AGE
(By Frank Church)

(NOTE.—Sen. Frank Church (D-Idaho) has become a leader of the campaign to build a breeder reactor on a commercial scale at Clinch River, Tenn. President Carter vehemently opposes it. The chief reason for cancelling the Clinch River project is to slow down the movement toward commercial use of plutonium fuel, from which nuclear weapons can rather easily be made. Sen. Church laid out his dissenting view in a

June 18 speech in England, from which these excerpts are taken:)

... The question is no longer whether the world should enter the plutonium era; that era is upon us now.

Given this perspective, it is not surprising that the Carter administration's proposal to guarantee supplies of enriched uranium as a substitute for the plutonium-fueled breeder has fallen on deaf ears. Countries that are now dependent upon one depletable resource, oil, controlled by the OPEC cartel, are unlikely to opt for a new dependence upon a second depletable resource, uranium, controlled by a different, but also foreign, group of nations.

... It is unrealistic to believe that other fuel-deficient governments are going to confine themselves to multibillion-dollar conventional reactor programs, while relying upon a future supply of natural uranium that is unsure in quantity and susceptible to drastic price manipulation.

It is equally unrealistic, in my judgment, to expect fuel-deficient countries to forego the reprocessing of spent fuel rods from their nuclear reactors. Not only can they squeeze out an extra 30 percent in energy by recycling the rods, but densely populated countries like Japan and West Germany see reprocessing as at least a partial answer to the acute problem of storing radioactive wastes.

One must add to this the fact that the oncoming breeder, whether eventually fueled by some new thorium-based cycle or, as I believe much more likely, by the Plutonium-based cycle now underway, will require reprocessing as an integral part of the cycle.

So it is not surprising to find experimental reprocessing plants already operating in France and Great Britain, or to see Japan insisting on opening its own reprocessing facility at Tokai Mura, over which a serious trilateral confrontation is now developing...

Thus, we are left with the unfortunate but ineluctable conclusion that the nuclear age, in whatever form it takes, brings with it proliferation risks that we must deal with on an international scale. Unilateral acts of abnegation are unlikely to be emulated. That is why I oppose the Carter administration's abandonment of reprocessing and proposed termination of the U.S. fast-breeder program. Instead of advancing the effective control of nuclear-weapons proliferation, our self-imposed denial runs the grave risk of leaving an international vacuum, which is an invitation to nuclear anarchy. In short, the plutonium genie is out of the bottle. The better part of wisdom is to recognize this rudimentary truth rather than bemoan it.

I, therefore, believe that we have no alternative but to begin now to build upon the existing international system of safeguards, working with the International Atomic Energy Agency-member countries to devise a framework for living with plutonium. The IAEA is perhaps the only international institution where the United States and the Soviet Union find that their interests run parallel and where they have been able to work together in relative harmony.

The number of nations that are capable of supplying nuclear plants and technology on a commercial scale is still small—seven or eight. And for the next generation, the number of countries in the developing world that can realistically contemplate a sizeable nuclear-energy program is limited—not more than 12 to 16. So if we put our minds to it and apply ourselves at this still-early stage to constructing a durable framework for managing the risks inherent in the plutonium era, we have a reasonable chance of success.

The elements of an international framework are discernible. They encompass two

basic principles: first, an international system of safeguards and physical security that minimizes the risk of diversion of plutonium to weapons purposes. Second, a system that offers developing countries an assured access to enrichment and reprocessing services.

More specifically, we could advance the first objective by adopting the following proposals suggested by Manson Benedict, professor emeritus of nuclear engineering at the Massachusetts Institute of Technology.

First, fuel reprocessing plants should not be permitted to produce plutonium in pure form, but should produce only a decontaminated mixture of uranium and plutonium. This so-called "coprocessing" operation is technically feasible, and the product, though unsuitable for bombs, can readily be fabricated into new fuel elements.

Second, fabrication of plutonium enriched fuel should be permitted only at the same well-guarded site as the reprocessing plant, to minimize the number of places at which plutonium is processed and to eliminate necessary shipments.

Third, before delivering reprocessed fuel, it should be irradiated to around one percent of the design burnup. This will make the elements so radioactive as to require the same heavy casks for shipment as are now used for spent fuel, and will provide the same kind of deterrence to diversion of reprocessed fuel as we now accept for spent fuel containing plutonium from light water reactors. Recent reports indicate that the Carter administration is now negotiating with the Japanese precisely such an arrangement to clear the way for them to start operating their reprocessing facility...

I do not mean to suggest that what I am proposing is in any way a panacea. Far from it. I see nothing but agonizing choices ahead. Speaking personally, I agree with the observation of Bernard Baruch that the splitting of the atom was the greatest act of pollution in history. I wish, in a way, it had never happened. I would much prefer to wake up each morning in a world unburdened with nuclear warheads, and free of worry about how to contain nuclear wastes for 20,000 years.

But this is the world as it is, not as we would wish it to be. The hard truth is that we are dealing not with a future threat to be avoided by timely action but with conditions that are presently upon us. In designing an effective international system to harness the energy atom to peaceful uses, the United States should take the lead.

A RIGHT-TO-LIFER COMES OUT OF THE CLOSET

Mr. BAKER. Mr. President, today's Washington Post contains a column by Mr. William Raspberry on abortion which I found quite extraordinary. It is one of the few statements I have seen on this issue which does not assert total certainty as to the correctness of either of the diametrically-opposed viewpoints on abortion.

Those of our colleagues who engaged in Wednesday's debate on this issue argued those two points of view with great eloquence. Yet none of us rose to express uncertainty—perhaps because we know that neither side wants to hear from someone who is indecisive on the matter. It may have been this lack of passionate commitment to either viewpoint which led a clear majority of us on Wednesday to reject both the amend-

ments offered by the Senator from North Carolina (Mr. HELMS) and the Senator from Oregon (Mr. PACKWOOD) and support, instead, the compromise language suggested by the Senator from Massachusetts (Mr. BROOKE).

I confess, Mr. President, to being among those who have found it increasingly difficult to unequivocally espouse the arguments of either side on abortion, and I share Mr. Raspberry's confusion and his desire to seek a middle ground where, to many, there can be no compromise. I commend to my colleagues Mr. Raspberry's candid remarks, and I ask unanimous consent that his column 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, July 1, 1977]
A RIGHT-TO-LIFER COMES OUT OF THE CLOSET

(By William Raspberry)

Probably the best thing is to say it right out: I think I am a closet right-to-lifer.

Not a practicing one, mind you. I mean I've never honked my horn or carried picket signs in support of the anti-abortionists. I've never tried to induce guilt in anyone who's ever had or contemplated an abortion. I own no gruesome posters of human-looking fetuses.

I have simply allowed my sophisticated friends to believe that I, like them, take abortion-on-demand to be as benign a procedure as, say, a cystectomy, a natural concomitant of a woman's right to control her own body.

I probably wouldn't be saying anything even now, except that some of my friends have let me know they were waiting for my column on the recent Supreme Court decision that indigent women have no constitutional right to state-financed abortions. "We're prepared to support what you have to say about it," said one, a women's-rights activist.

What she meant, of course, is that because we have been on the same side of most of the major issues, she assumed I was on the "right" side of this one as well.

I'm not. I'm not all the way on the other side, either. My embarrassment is that the thing simply isn't easy for me the way it is for nearly everybody else. Maybe I'm only a closet mugwump.

My first thought was to escape the dilemma by attacking the Supreme Court for its inconsistency. I really do believe that it is inconsistent to say, in one decision, that abortion is a perfectly acceptable medical procedure and, in another, that medically indigent women have no right to it. The right to control one's own body should not be a matter of economics.

But arguing on the basis of consistency won't square me with my friends. After all, it would have been consistent if the Court had said that nobody, rich or poor, had a right to abortion.

I've tried to persuade myself that abortion is, finally, a matter of individual conscience—like contraception. But the only people I know who have made the individual-conscience argument on contraception are Catholics looking for a way of justifying their feeling that the church is wrong about birth control. It seems perfectly clear to me that people have the right to decide not to make babies. My problem comes after the babies are made.

I have avoided talking about it because talking about it doesn't help. Talking sug-

gests give-and-take, the possibility of compromise. But there is no compromise on abortion.

Besides, the arguments get so tricky. The pro-abortionists will start with the act of intercourse and work forward. If you can accept contraception—the prevention of a birth—or a morning-after pill or some therapeutic measure that interrupts a pregnancy before there is any evidence that there is a pregnancy, then why not accept abortion after several weeks? They make their point by demonstrating that there is no clear-cut demarcation between a fertilized egg and a fetus.

The right-to-lifers argue from the opposite end by demonstrating the folly of trying to draw a clear line between babies and fetuses.

And no one convinces anyone else. Either you're talking about killing human beings, or you aren't.

We do kill human beings, though, don't we? Not just on death row and on battlefields but also by unplugging the machines or deciding who will not have access to dialysis and other expensive treatments. I suppose what bothers me is not the fact that some people decide for abortion but that they make the decision seem easy, almost offhand. Maybe I'd feel better if they showed signs of agonizing about it. Which, I suppose, exposes me as a closet hypocrite.

Because of my wishy-washiness on the subject, I find myself attracted to Rep. Clifford Allen's proposed modification of the Hyde Amendment, which would bar federal funds for abortions. Allen (D-Tenn.) would make exceptions for women suffering terminal illnesses or whose lives would be endangered by full-term pregnancy; pregnancies resulting from rape or incest; pregnancies involving women who are severely handicapped, mentally or physically; or pregnant girls of 15 years or less. (He'd be willing to change that to 17 years.)

But he stops short (as I do) of saying that any woman who wants an abortion for any reason should have it.

If you want to sympathize with me, or castigate me, or even praise me for coming this far out of the closet, feel free. But spare me your arguments—not because my mind is made up but because I've already heard them, and they don't help.

And please, no cheap shots about how I'd feel different if I were a woman. I'm confused enough as it is.

SOVIET CIVIL DEFENSE

Mr. BAKER. Mr. President, the Evans and Novak column of July 1, entitled "Soviet Civil Defense," directly addresses one of the most critical issues confronting the United States in the SALT negotiations and in Soviet-American relations generally.

I addressed the Senate on May 17 on the matter of Soviet civil defense. At that time I described the efforts the Soviets were making to provide survivability for large numbers of their people. I expressed my opinion that the Soviet Union could be highly successful in this effort because of their longstanding policy of dispersing military and civilian targets, their recent massive expenditures on civil defense, and the inherent advantages of their geographic size.

In my opinion Soviet civil defense efforts challenge the very basis for SALT—that neither country seeks nor can achieve a "war winning" advantage

through the development and deployment of nuclear weapons and that it is, therefore, in the interests of both sides to limit and to stabilize the nuclear weapons race.

We need more information on Soviet civil defense. Consequently I welcome the fact that the CIA will soon complete a study of this matter; that the Senate Armed Services Committee has tentatively scheduled hearings; that the Foreign Relations Committee, of which I am a member, has a deep and abiding interest, particularly in regard to its responsibilities to advise and consent on SALT; and that there are significant and thoughtful studies and discussions taking place outside the government on Soviet civil defense.

I strongly urge my colleagues to give this matter their closest attention, and I ask unanimous consent that the Evans and Novak column of July 1 be printed in the RECORD.

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

SOVIET CIVIL DEFENSE

(By Rowland Evans and Robert Novak)

A chilling study of the potential impact of Soviet civil-defense measures on the U.S. Soviet strategic nuclear balance raises fresh doubts about U.S. reliance on a strategy that assumes each side is capable of virtually destroying the other—a strategy called "mutual assured destruction."

The study was privately done by a team of experts under the direction of T. K. Jones, one of the foremost American students in strategic nuclear analysis, for non-government defense and nuclear students. These include Paul H. Nitze, former Deputy Secretary of Defense, and other acknowledged experts long worried about imperfections in the strategy of mutual assured destruction and in the concept of overkill, both of which are paraded by doves in the arms-control community who want to slow U.S. strategic growth.

The Jones study first measures potential fatalities in the Soviet Union under an arbitrary scenario; following a Soviet first-strike nuclear attack against U.S. strategic launchers (a counter-force strike), the United States retaliates with an all-out nuclear strike specifically designed as a population-killer, using every strategic weapon that survived the initial strike.

The study (which Pentagon experts have not yet been able serious to flaw) assumes that full use is made of Soviet civil-defense planning. Thus, there is an exodus of population from Moscow and other cities with 24 hours of walking and maximum use of what the study calls "expedient shelters"—that is, simple but adequate cover for two weeks' protection from nuclear fallout.

Soviet civil defense, which has budget priority equal to the military and which is under the command of a high soviet general, has distributed millions of designs for quick construction of just such crude—but effective—shelters. Indeed, school children are regularly taught that art. Highly publicized exit routes for various neighborhoods when evacuation is ordered are also a routine part of Soviet civil defense.

The study claims that under "a full evacuation in accordance with Soviet civil-defense principles" the number of fatalities from the American retaliatory attack would be as low

as 4 million—even lower, if the 24-hour walking time for evacuation were lengthened.

But the United States today has no plan whatever for "expedient shelters." Indeed, civil defense has been lost under the liturgy of mutual assured destruction, the concept of deterrence and the mythology of overkill" (superfluous nuclear power).

In the reverse case—an American first strike against Soviet launchers, and Soviet retaliation designed to kill only people—the study predicts 72 million dead in the United States. What is worse—if anything could be—is that even if the American people had access to "expedient shelters," the study predicts there would still be 20 million dead.

These catastrophic results both assume that 90 per cent of the urban population has 24 hours to get out of town, that the evacuees take maximum advantage of residential housing for fallout protection and that the 10 percent left in the cities make "optimum use" of designated fallout shelters (such as subways)—in tragic short supply here.

One reason for these ghoulishly high estimates is the size of Soviet nuclear weapons, with their much higher yields in both explosive force and radiation than U.S. long-range missiles. Thus, effective shelter from the deadly blast of a Soviet nuclear warhead in this country requires far more structural strength.

The arithmetic is startling. A shelter that would protect a Soviet citizen one mile from the point of impact of an average-size American warhead (probably a Poseidon submarine-launched weapon in the case of a retaliatory strike) would give protection only at three miles from the point of impact of an average (one-megaton) Soviet warhead.

Without question, studies such as this suffer from arbitrary assumptions. The authors concede that their scenarios are "overstated" and certainly "not likely." Yet to begin to perceive dangers from the highly organized Soviet civil-defense program, and the absence of any of the United States, a start must be made somewhere.

The study correctly suggests this conclusion: "If this highly exaggerated model . . . cannot produce casualty levels far greater than those of past wars, then the 'population hostage' concept of mutual deterrence loses much of its credibility." The Soviet Union suffered 20 million fatalities in World War II, five times more than it suffered in the theoretical American nuclear strike aimed solely at Soviet people.

Mr. BAKER. Mr. President, I yield back the remainder of my time under the standing order.

Mr. ROBERT C. BYRD. Mr. President, if the minority leader will reserve his time and suggest the absence of a quorum, I wish to make a little statement about the work of the Senate.

Mr. BAKER. Oh, yes, by all means.

Mr. President, I ask unanimous consent to retrieve and reserve the remainder of my time, and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

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

**THE SENATE'S FIRST 100 DAYS—
95TH CONGRESS**

Mr. ROBERT C. BYRD, Mr. President, yesterday, June 30, marked the 100th day that the Senate has been in session during the 95th Congress.

During those first 100 days, the Senate has had an average attendance of 88.51 percent, which was over last year's attendance of 85.13 percent.

The number of times convened before 12 noon was 43.

The number of sessions convened at noon, 17.

The number of sessions convened after noon, 40.

The number of Saturday sessions, zero, compared with one last year as of the same date, two the year before as of the same date, none the year before, and two in 1973, as of the same date.

During the last 4 weeks—in other words, just since the Memorial Day non-legislative period—the Senate has passed over 100 measures, including the following major pieces of legislation: Housing and Community Development; Clean Air; ERDA Nonnuclear; International Financial Institutions; International Development Assistance; International Security Assistance; State Department authorization; Arms Control and Disarmament Agency; Interior appropriations; Treasury-Postal Service appropriations; Federal Mine Safety; Public Works on Rivers and Harbors; Government Intelligence Activities authorization; Mass Transit, Department of Transportation appropriations; HUD appropriations; State-Justice appropriations; Ethics in Government; Agriculture appropriations; Military Construction appropriations; Labor-HEW appropriations; and Child Nutrition.

Mr. President, those are the major measures which have been passed in a period of 19 days of Senate sessions.

The Senate has also passed during that period a number of lesser measures.

Much has been accomplished on a variety of issues. In early June, the Senate passed a measure important to the economy—the comprehensive housing and community development bill, authorizing \$14.6 billion through 1980 for housing assistance which focuses on low-cost housing projects and housing for the elderly.

The No. 1 priority this year, energy, has continued to occupy the time of Senators this month in building upon earlier accomplishments which include the passage of the surface mining and reclamation bill, a measure creating a Department of Energy, the tanker safety bill, and the export administration bill, which, as enacted, places restrictions on

exporting Alaskan oil. In June alone, the Senate has acted on the following energy-related measures:

Clean air. The Senate debated and passed a tough bill which reflects our concern for protecting the environment while meeting our energy needs. This measure will provide the means to improve air quality in polluted areas and to keep air clean where it is presently clear and clean. This measure, which died at the end of last session, is now in conference with the House and I anticipate its enactment this session.

Energy research. We authorized \$2.5 billion to the Energy Research and Development Administration for non-nuclear programs to devise new and more efficient methods of acquisition, conversion, and use of energy resources.

Mass Transit. The Senate approved \$5.3 billion for urban mass transit programs which help reduce petroleum consumption and air pollution in our Nation's cities.

In addition to these energy measures acted upon by the full Senate, substantial progress on a comprehensive national energy policy has been made by the Committee on Energy and Natural Resources under the capable leadership of the distinguished Senator from the State of Washington. The committee has completed hearings on nontax provisions related to general conservation, coal conversion, and natural gas regulation. Markup sessions are anticipated for early July.

Although there is still much to be done to meet the Nation's energy needs, the Senate of the 95th Congress has already begun to compile a sound energy record.

The Senate has also debated and passed a Federal mine safety and health bill that seeks to strengthen all mining safety programs under a single authority charged with enforcing basic minimum Federal standards.

For the first time in history, the Senate has voted to establish a system of user charges to be paid by the commercial cargo vessels that use the 25,000 miles of federally built and maintained inland waterways.

With regard to the foreign policy responsibilities of the Senate, we have addressed five bills which will have a significant impact on the conduct of U.S. foreign affairs. We discussed at length U.S. policy in the Far East and Latin America, including debate on troop withdrawal from Korea and relations with Cuba.

In only 5 days we:

First. Authorized \$5.2 billion for U.S. multiyear participation in the international financial institutions—the World

Bank, the Asian Development Bank and Fund, and the African Development Fund;

Second. Voted for \$1.6 billion for foreign economic aid and provisions to strengthen the economic development and trade expansion aspects of the Public Law 480 food-for-peace program;

Third. Approved a \$3.2 billion authorization for military assistance programs and security supporting assistance, of which \$1.785 billion is for foreign military sales credits and security assistance to Israel. The Senate also acted to terminate or otherwise phase out sales credits and military training programs for countries that have engaged in gross and systematic violations of human rights such as Argentina and Ethiopia.

Fourth. Authorized \$1.7 billion for the operations of the State Department, the U.S. Information Agency—USIA, and the Board of International Broadcasting—which makes grants to Radio Free Europe/Radio Liberty; and states the sense of the Congress with regard to negotiations with Cuba that the Cuban Government's use of military personnel abroad and its disrespect for human rights are among the elements which must be taken into account during negotiations for normalization of relations; and

Fifth. Approved the 1978 authorization for the Arms Control and Disarmament Agency while expressing the sense of the Congress that adequate verification by the agency of compliance with the terms of arms control agreements should be an indispensable part of any agreements.

In that same week, we also passed the Interior appropriations bill and the ERDA nonnuclear authorization measure.

The above actions illustrate the pace the Senate has set this year. A continuous flow of important legislation from committee to the floor has been maintained in June. The level of Senate activity has been arduous. I am indeed grateful to my colleagues on both sides of the aisle for the cooperation and discipline they have exercised in keeping up this pace which has allowed us to accomplish much in 4 weeks.

A more complete report on Senate legislative activity and on measures the Senate has passed this year has been prepared by the staff of the Democratic Policy Committee. I ask unanimous consent that this report and supporting data be inserted in the Record at this point.

There being no objection, the material was ordered to be printed in the Record, as follows:

5-YEAR COMPARISON OF SENATE LEGISLATIVE ACTIVITY THROUGH JUNE 30

	1973	1974	1975	1976	1977		1973	1974	1974	1976	1977
Days in session.....	95	88	94	96	100	Senate average attendance (percent).....	86.97	88.12	89.64	85.13	88.51
Hours in session.....	501:25	539:45	556:19	618:26	586:24	Sessions convened before 12 noon.....	44	61	59	62	43
Total measures passed.....	319	340	314	426	351	Sessions convened at noon.....	51	27	35	34	17
Rollcall votes.....	259	271	258	372	270	Sessions convened after noon.....	0	0	0	0	40
Public laws.....	48	75	41	129	60	Sessions which continued after 8 p.m.....	5	1	9	13	16
Treaties.....	5	3	1	10	0	Saturday sessions.....	2	0	2	1	0
Confirmations.....	28,356	31,747	27,851	28,602	40,575						

MEASURES ENACTED AND MEASURES IN SENATE-HOUSE CONFERENCE, 95TH CONGRESS, 1ST SESSION

ENACTED	
Natural gas emergency.....	PL 95-2
Urgent power supplemental.....	PL 95-3
Rhodesian chrome.....	PL 95-12
Urgent disaster supplemental.....	PL 95-13
Second budget rescission.....	PL 95-15
Continuing appropriations, 1977.....	PL 95-16
Presidential reorganization authority.....	PL 95-17
Disaster drought emergency—Midwest.....	PL 95-18
Emergency unemployment compensation extension.....	PL 95-19
Securities and Exchange Commission authorization.....	PL 95-20
Romanian earthquake assistance Authorization.....	PL 95-21
Flexible interest rates (Regulation Q).....	PL 95-22
Military assistance to Portugal.....	PL 95-23
Housing supplemental.....	PL 95-24
Supplemental appropriations.....	PL 95-26
Public Works employment.....	PL 95-28
Economic stimulus appropriations, 1977.....	PL 95-29
Tax reduction and simplification.....	PL 95-30
Drought emergency relief.....	PL 95-31
Atlantic Tunas Convention.....	PL 95-33
Deepwater ports.....	PL 95-36
Defense production extension.....	PL 95-37
ERDA authorization.....	PL 95-39
Vocational education amendments.....	PL 95-40
Water resources planning.....	PL 95-41
Land and water conservation fund CETA extension.....	PL 95-42
State Department supplemental.....	PL 95-44
Federal crop insurance.....	PL 95-47
Wheat referendum.....	PL 95-48
Education of handicapped amendments.....	PL 95-49
John F. Kennedy Center authorization.....	PL 95-50
Federal disaster assistance program.....	PL 95-51
Export Administration—Arab boy.....	PL 95-52
Commercial fisheries authorization.....	PL 95-53
Flue-cured tobacco acreage—poundage marketing quotas.....	PL 95-54
Bull Run Reserve access and geothermal explorations.....	PL 95-55
Federal Home Loan Bank Board members.....	PL 95-56
Military enlistment and reenlistment bonuses.....	PL 95-57
Sea Grant program.....	PL 95-58
Smith College Carillon—food stamps—child support.....	PL 95-59
Mortgage insurance.....	PL 95-60

IN CONFERENCE

Public Health Program—Biomedical Research, H.R. 4975.
National Science Foundation Authorization, H.R. 4991.
Military Procurement Authorization, H.R. 5970 (Conf. rept. filed).
NASA Authorization, 1979, H.R. 4088 (Senate agreed to Conf. Rept. 6-21).
Water Resources Research, H.R. 4746.
Surface Mining, H.R. 2.
Youth Employment and Training, H.R. 6138 (Conf. Rept. filed).
International Trade Commission, H.R. 6370.
Library Services and Construction, S. 602.
Aviation Insurance Extension, H.R. 6010 (Senate conferees not named).
Department of Energy, S. 826.
Military Construction Authorization, S. 1474.
Clean Air Amendments, H.R. 6161.
Civil Rights Commission Authorization, H.R. 5645 (H. conferees not named).
International Financial Institutions, H.R. 5262.

International Security Assistance, H.R. 6884.
International Development Assistance, H.R. 6714.
Department of State Authorization, H.R. 6689.
Arms Control and Disarmament Authorization, H.R. 6179.
Housing and Community Development, H.R. 6555.
Department of Interior Appropriations, H.R. 7636 (Conf. Rept. filed).
Treasury, Postal Service Appropriations, H.R. 7552 (Conf. Rept. filed).
Juvenile Justice, H.R. 6111.
DOT Appropriations, H.R. 7557.
HUD Appropriations, H.R. 7554.
State-Justice-Commerce Appropriations, H.R. 7556.
Small Business, H.R. 692 (Conf. Rept. filed).
Public Works on Rivers and Harbors—Waterways Users Fee, H.R. 5885.
Agriculture Appropriations, H.R. 7558 (House conferees not named).
Military Construction Appropriations, H.R. 7589 (House conferees not named).
Labor-HEW Appropriations, H.R. 7555 (House conferees not named).
Child Nutrition Programs, H.R. 1139 (House conferees not named).

PASSED SENATE, BUT NOT HOUSE

Omnibus Farm Bill, S. 275.
Omnibus Judgeships, S. 11.
Ethics in Government, S. 555.
Tanker Safety, S. 682.
Federal Mine Safety, S. 717.
Government Intelligence Activity, S. 1539.
Urban Mass Transit, S. 208.

COMPLETE LISTING OF LEGISLATION PASSED BY THE SENATE SINCE THE MEMORIAL DAY NON-LEGISLATIVE PERIOD, JUNE 6, 1977 THROUGH JUNE 30, 1977

(Total: 107)

I. During the last three weeks, the Senate has passed 107 bills, including the following major pieces of legislation:

1. 6/7 H.R. 6655, Housing and Community Development.
2. 6/10 H.R. 6161, Clean Air.
3. 6/13 S. 1340, ERDA Non-Nuclear.
4. 6/14 H.R. 5262, International Financial Institutions.
5. 6/15 H.R. 6714, International Development Assistance.
6. 6/15 H.R. 6884, International Security Assistance.
7. 6/16 H.R. 6689, State Department Authorization.
8. 6/16 H.R. 6179, Arms Control and Disarmament Agency.
9. 6/17 H.R. 7636, Interior Appropriations, 1978.
10. 6/20 H.R. 7552, Treasury-Postal Service Appropriations, 1978.
11. 6/21 S. 717, Federal Mine Safety.
12. 6/22 H.R. 5885, Public Works on Rivers and Harbors.
13. 6/22 S. 1539, Government Intelligence Activities Authorization.
14. 6/23 S. 208, Mass Transit.
15. 6/23 H.R. 7537, DOT Appropriations, 1978.
16. 6/24 H.R. 7554, HUD Appropriations, 1978.
17. 6/24 H.R. 7556, State-Justice Appropriations, 1978.
18. 6/27 S. 555, Ethics in Government.
19. 6/29 H.R. 7558, Agriculture Appropriations, 1978.
20. 6/29 H.R. 7589, Military Construction Appropriations, 1978.
21. 6/29 H.R. 7555, Labor-HEW Appropriations, 1978.
22. 6/30 H.R. 1139, Child Nutrition Programs.

II. The Senate has also passed during this period the following measures:

23. 6/6 S. 1232, Drug Abuse Prevention Authorization.
24. 6/7 S. 1322, D.C. Water Services, Federal Payment for.
25. 6/8 S. 1640, Mike Monroney Aeronautical Center.
26. 6/8 H.R. 5940, Enrollment Correction to Export Administration.
27. 6/9 S. 1372, Under Secretary of Defense for Policy (Estab.)
28. 6/9 S. 103, Ely Indian Land.
29. 6/9 S. 667, Te Moak Indian Land.
30. 6/9 S. 947, Creek Nation Lands.
31. 6/9 S. 1291, Cheyenne Indian Land.
32. 6/9 H. Con. Res. 243, Enrollment Correction to Commercial Fisheries.
33. 6/10 S. 623, Interim Regulatory Reform Report.
34. 6/10 S. Res. 180, Budget Waiver for consideration of S. 1061.
35. 6/13 H.R. 3416, Flue-cured Tobacco Quotas.
36. 6/13 S. 1061, D.C. Borrowing Authority.
37. 6/13 S. Res. 188, Senate Rules Amendment re Campaign Contributions.
38. 6/13 S. Res. 178, Budget Waiver for consideration of S. 1231 (H.R. 5645).
39. 6/13 H.R. 6545, Civil Rights Commission Authorization.
40. 6/13 S.J. Res. 62, Volunteers in Schools.
41. 6/13 S. Res. 97, Committee Funding Resolution.
42. 6/14 S. Res. 140, Committee Funding Resolution.
43. 6/14 S. Res. 141, Committee Funding Resolution.
44. 6/14 S. Res. 142, Committee Funding Resolution.
45. 6/14 S. Res. 144, Committee Funding Resolution.
46. 6/14 S. Res. 146, Committee Funding Resolution.
47. 6/14 S. Res. 147, Committee Funding Resolution.
48. 6/14 S. Res. 148, Committee Funding Resolution.
49. 6/14 S. Res. 149, Committee Funding Resolution.
50. 6/14 S. Res. 151, Committee Funding Resolution.
51. 6/14 S. Res. 156, Committee Funding Resolution.
52. 6/14 S. Res. 157, Committee Funding Resolution.
53. 6/14 S. Res. 158, Committee Funding Resolution.
54. 6/14 S. Res. 159, Committee Funding Resolution.
55. 6/14 S. Res. 161, Committee Funding Resolution.
56. 6/14 S. Res. 164, Committee Funding Resolution.
57. 6/14 S. Res. 170, Committee Funding Resolution.
58. 6/14 S. Res. 189, Committee Funding Resolution.
59. 6/14 S. 760, Private Bill.
60. 6/14 S. 422, Private Bill.
61. 6/14 H.R. 3314, Private Bill.
62. 6/15 S. Res. 194, Soviet Detention of Robert Toth.
63. 6/15 H. Con. Res. 249, Belgrade Conference.
64. 6/15 S.J. Res. 63, Federal Home Loan Bank Board Members Terms.
65. 6/16 S. Res. 195, Rosalynn Carter Commendation.
66. 6/16 H.R. 7606, Bull Run Reserve.
67. 6/16 S. Res. 196, Nez Perce War Commemoration.
68. 6/16 H.R. 6893, Members' Residence for State Income Tax.
69. 6/16 S. 455, Private Bill.
70. 6/16 S. 1142, Private Bill.
71. 6/16 H.R. 1440, Private Bill.
72. 6/17 S. 469, National Academy of Peace and Conflict.
73. 6/21 H.R. 6111, Juvenile Justice Extension.

74. 6/22 S. Res. 193, Wheat and Feed Grains Loan Levels.
 75. 6/23 H. Con. Res. 254, Engrossment Correction.
 76. 6/24 S. Res. 183, Printing Resolution.
 77. 6/24 S. Res. 192, Printing Resolution.
 78. 6/24 S. Res. 201, Energy Supplemental.
 79. 6/27 S. 142, Private Bill.
 80. 6/27 S. 344, Private Bill.
 81. 6/27 S. 614, Private Bill.
 82. 6/27 H.R. 1437, Private Bill.
 83. 6/27 H.R. 3838, Private Bill.
 84. 6/27 H.R. 4246, Private Bill.
 85. 6/28 H.R. 1404, Smith College Carillon—SSI Food Stamp—Child Support.
 86. 6/28 S. 1532, Interim Regulatory Reform—Federal Maritime Commission.
 87. 6/28 S. 1535, Interim Regulatory Reform—FPC.
 88. 6/28 S. 1536, Interim Regulatory Reform—FCC.
 89. 6/29 S. Res. 200, Budget Waiver for consideration of H.R. 6415.

90. 6/29 H.R. 6415, Export-Import Bank.
 91. 6/29 H.J. Res. 525, Mortgage Insurance.
 92. 6/29 S. Res. 213, Government Documents.
 93. 6/29 S. Res. 214, Government Documents.
 94. 6/29 S. Res. 197, Budget Waiver for Consideration of S. 1420.
 95. 6/29 S. 244, Mihalovich Monument.
 96. 6/29 S. Res. 199, Budget Waiver for Consideration of S. 1341.
 97. 6/29 S. 1341, ERDA Civilian/Military Authorization.
 98. 6/29 S. Res. 215, Henry Ford.
 99. 6/30 S. Res. 208, Budget Waiver for Consideration of S. 660.
 100. 6/30 S. 660, Indians Rights to Arkansas Riverbed.
 101. 6/30 S. Res. 209, Budget Waiver for Consideration of H.R. 4992.
 102. 6/30 H.R. 4992, Indian Business Development Program.

103. 6/30 S. Res. 210, Budget Waiver for Consideration of H.R. 4585.
 104. 6/30 H.R. 4585, Indian Claims Commission.
 105. 6/30 H.J. Res. 539, Indian Claims.
 106. 6/30 S. Res. 211, Committee Funding Resolution.
 107. 6/30 H. Con. Res. 267, Fourth of July Non-legislative Period.
 III. The Senate has also acted on conference reports or agreed to House amendments as follows:
 1. 6/7 H.R. 5840, Conf. Rept. on Export Administration—Arab Boycott.
 2. 6/8 S. 1468, Federal Energy Administration Extensions.
 3. 6/15 H.R. 8823, Conf. Rept. on Coast Guard Authorization.
 4. 6/21 H.R. 4088, Conf. Rept. on NASA Authorization.
 5. 6/22 H.R. 3849, Oceans and Atmosphere.
 6. 6/28 H.R. 6668, Older Americans—Civil Rights Commission Report.

STATUS OF MAJOR MESSAGES AND COMMUNICATIONS OF THE PRESIDENT, 95TH CONG., 1ST SESS.

[By Senate Democratic Policy Committee, Robert C. Byrd, chairman]

Message or communication title, bill No.	Senate action	House action	Conference or other action	Date approved	Public Law No.
PM 21 (Jan. 17, 1977): Budget Rescission. (\$452.6 million for Nimitz-class nuclear carrier and Aegis) H.R. 3839.	P/S Mar. 15, 1977	P/H Mar. 3, 1977		Mar. 25, 1977	95-15
PM 22 (Jan. 17, 1977): Top Level Executive, Legislative and Judicial Salary Increases.	S. tabled Allen, et al., amendment to S. Res. 4 disapproving pay recommendation Feb. 2, 1977; Voted Mar. 3, 1977 against repealing increase.	H. twice objected to request to consider disapproval resolution, H. Res. 115, Feb. 16, 17; voted June 29, 1977 to reject amendment H.R. 7932, 1978 Legislative Branch App. Denying funds for March 1 increase.		Feb. 20, 1977 became effective.	
PM 22 (Jan. 17, 1977): Ethics Code.	S. Res. 110 (S. Ethics Code) P/S Apr. 1, 1977.	H. Res. 287 (H. Ethics Code) P/H Mar. 2, 1977.		House code became effective Mar. 2, 1977. Senate code became effective Apr. 1, 1977.	
EC 441 (Jan. 26, 1977): Emergency Natural Gas Act S. 474 (Adm. bill).	P/S Jan. 31, 1977	P/H amended Feb. 2, 1977	Conf. rept. agreed to Feb. 2, 1977 in S.; Feb. 2, 1977 in H.	Feb. 16, 1977	95-2
PM 32 (Jan. 31, 1977): Economic Recovery:					
(a) Economic Stimulus Appropriations (Public works jobs, revenue sharing, and public service employment) H.R. 4876.	P/S amended May 2, 1977	P/H Mar. 15, 1977	Conf. rept. agreed to May 4, 1977 in H.; May 5, 1977 in S.	May 13, 1977	95-29
(b) Public Works Jobs (\$4 billion increase) H.R. 11.	P/S amended Mar. 10, 1977	P/H Feb. 24, 1977	Conf. rept. agreed to Apr. 29, 1977 in S.; May 3, 1977 in H.	do	95-28
(c) Countercyclical Revenue Sharing.	P/S as amendment to H.R. 3477 Apr. 29, 1977.	H.R. 6810, P/H Apr. 13, 1977	Conf. rept. contained 1 yr extension of program instead of 5 yr as requested by President.	May 23, 1977	95-30
(d) Tax Reform and Simplification for individuals and business (Tax rebate withdrawn) H.R. 3477.	P/S Apr. 29, 1977	P/H May 8, 1977	Conf. rept. agreed to May 17, 1977 in H. and S.	do	95-30
PM 33 (Feb. 4, 1977): Presidential Reorganization Authority S. 626.	P/S Mar. 3, 1977	P/H amended Mar. 29, 1977	S. agreed to H. amendments Mar. 31, 1977.	Apr. 6, 1977	95-17
PM 40 (Feb. 21, 1977) and 57 (Mar. 24, 1977): Water Development Projects: H.R. 11 (Public Works Jobs).	S. adopted Johnston amendment expressing sense of Congress to continue funding for water projects.	P/H June 14, 1977 funding 17 of 18 projects on President's hit-list.		May 13, 1977	95-28
H.R. 7553 (Public Works Appropriations, 1977).	S. debating committee bill funding 9 of 18 on President's hit-list.	P/H amended May 5, 1977	Conf. rept. agreed to with amendment May 16, 1977 in S.; H. agreed to S. amendment May 17, 1977.	Action complete	
PM 41 (Feb. 22, 1977): 1978 Budget Revisions S. Con. Res. 19.	P/S May 4, 1977	P/H amended June 3, 1977	In conference.		
PM 42 (Mar. 1, 1977): Creates Cabinet Dept. of Energy, S. 826.	P/S May 18, 1977	P/H amended June 3, 1977			
PM 45 (Mar. 4, 1977): Airline Deregulation.	Commerce Subcte. on Aviation markup on staff draft proposal which combines S. 292 and S. 689 June 21, 30.	Pub. Wks. Subcte. on Aviation hearings Apr. 18; Field hearings in Pennsylvania June 17, 18.			
PM 47 (Mar. 9, 1977): Youth Unemployment:					
(a) \$342 million increase for Job Corps.				(1)	(1)
(b) New Youth title to CETA, H.R. 6138.	P/S amended May 26, 1977	P/H May 17, 1977	Conference rept. filed.		
(c) 1 yr extension of CETA, H.R. 2992.	P/S amended May 25, 1977	P/H March 29, 1977	H. agreed to S. amendment June 3, 1977.	June 15, 1977	95-44
PM 51 (Feb. 17, 1977): Foreign Aid:					
(a) Multilateral Development Assistance (Financial Institutions) H.R. 5262.	P/S amended June 14, 1977	P/H Apr. 6, 1977	In conference.		
(b) Bilateral Development Assistance (\$1.3 billion)—Public Law 480 Program, H.R. 6714.	P/S amended June 15, 1977	P/H May 12, 1977	do		
(c) Public Law 480 Program Extension. H.R. 6714 (title II).	Extended in S. 275 (title XI of farm bill) which P/S June 15, 1977.	P/H May 12, 1977	In conference.		
(d) Security Assistance, H.R. 6884.	do	P/H May 24, 1977	do		
PM 52 (Feb. 17, 1977): Oil Tanker Spills.	S. 682 (tanker safety) P/S May 26, 1977.	Mer. Mar. and Fisheries Cte. repled. H.R. 6803 May 16 (H. Rept. 95-340) Pub. Wks. Cte. agreed to Mer. Mar. and Fisheries rept. June 30.			
	Commerce Cte. hearings on S. 687 (oil pollution) June 9, 10, 20.	do			

Message or communication title, bill No.	Senate action	House action	Conference or other action	Date approved	Public Law No.
PM 55 (Mar. 22, 1977): Election reform:					
(a) Voter Registration.....	S. 1072 on S. Calendar (Cal. No. 144)	H.R. 5400 on Union Calendar (Cal. No. 162)			
(b) Public Financing.....	S. 926 on S. calendar (Cal. No. 277)	Adm. Cte. hearings on the subject of campaign reform May 18, 19, June 21, 23 hearings on H.R. 5157 after July 4.			
(c) Campaign Act Amendments.....	do				
(d) Direct Election of President.....	Jud. Cte. discussed S.J. Res. 1, June 10, 14, 22, 29.	Jud. Subcte. on Monopolies and Commercial Law hearings on H.J. Res. 33, 118 and 350 not yet scheduled.			
PM 56 (Mar. 23, 1977): Drought Assistance:					
(a) FDA Emergency Water system improvement S. 1279.	P/S May 11, 1977	P/H May 17, 1977		May 23, 1977	95-31
(b) FHA Emergency water system improvement and Southwestern Power assistance to irrigators on Fed. Reclamation Bureau projects.				(?)	(?)
(c) SBA drought assistance loan program.	Small Business Cte ordered S. 1306 apctd. May 16 pending hearing on June 23 (S. Rept. 95-184).	Small Business hearings on H.R. 6047 (Adm. bill) and 11 related bills Apr. 19, 22.	In conference.....		
(d) Water Bank objectives, S. 925	P/S Mar. 15, 1977	P/H amended Apr. 4, 1977	S. agreed to H. amendments Apr. 4, 1977.	Apr. 7, 1977	95-18
(f) Transfer of emergency livestock feed program.	Senate agreed to Humphrey amendment to S. 275 (Farm bill) which P/S May 24, 1977.	H.R. 4295 in full Cte. (President no longer supports because of Subcte. amendments).			
PM 64 (Apr. 6, 1977): Agency for Consumer Advocacy.	S. 1262 on S. Calendar (Cal. No. 143)	H.R. 6805 on Union Calendar (Cal. No. 183).			
PM 71 (Apr. 25, 1977): Health Care System Improvements:					
(a) Hospital Cost Containment Act.	Human Res. Subcte. on Health hearings on S. 1391 complete; mark-up not yet scheduled.	Ways and Means and Inter. and For. Comm. Subctes. on Health joint hearings on mark-ups last 2 weeks of July.			
(b) Child Health Assessment Program.	Finance Committee hearings on S. 1392 not yet scheduled.	Inter. and For. Comm. Subcte. on H.R. 6706 scheduled for July.			
PM 74 (Apr. 27, 1977): Nuclear Nonproliferation Policy.	Gov. Art. Subcte. on Energy hearings on S. 1432 complete; mark-up not yet scheduled; For. Rel. Subcte. on Arms Control hearings June 8, 15; Energy Cte. hearings June 10.	Int. Rel. Subcte. on Inter. Security & Scientific Aff. Subcte. on Inter. Econ. Policy & Trade joint hearings on H.R. 17, H.R. 4409, H.R. 6910 (Admin. bill) Apr. 4, May 19, 26.			
EC 1246: Energy Policy:					
(1) Pricing, Regulatory and Non-Tax (S. 1469).	Energy Cte. overview hearings May 3, 19; mark-up to begin after July 4.	Commerce Cte. hearings complete on H.R. 6831; Subcte. mark-up completed June 24; Full Cte. mark-up began June 28 and will resume on July 12; Banking Subcte. on Housing mark-up completed; Government Operations Cte. mark-up completed.			
(a) Natural Gas.....	Energy Cte. hearings held June 7, 13, 14, 17.	do			
(b) Conservation.....	Energy Cons. and Regul. Subcte. hearings held June 21, 22; Banking Cte. held hearings on residential conservation June 27-29, mark-up to begin July 14.	do			
(c) Supply.....	Energy Prod. and Supplies Subcte. held hearings on strategic reserves June 9; Coal Conversion (S. 977) hearings held June 24.	do			
(d) Utility Rates.....	do	do			
(2) Tax Provisions (S. 1472)	Finance Subcte. on Administration of the IRS code hearings June 6 and 27 on the administrative difficulties of anticipated tax revenues.	Ways and Means Cte. mark-up on H.R. 6831 complete.			
PM 78 (May 3, 1977): Ethics in Government.	S. 555, P/S June 27, 1977	Select Cte. on Ethics mark-up on H.R. 7401 June 20, 23, 27, 28, 29.			
PM 79 (May 9, 1977): Social Security Trust Funds (Draft leg. not yet received).	Finance Cte. hearings on Soc. Sec. financing June 13, 16, 23, 24, July 15.	Ways and Means Subcte. on Soc. Sec. hearings May 10, June 18, July 18-22.			
Message (May 23, 1977): Genocide Convention ratification.	For. Rel. hearings May 24, 26	No action needed			
PM 83 (May 23, 1977): Environmental Protection.	Jointly ref. to: Env., Energy, Agri., Banking, Commerce, For. Rel., Govt. Aff., and Human Res. Ctes.	Interior Subcte. on Energy and Environment approved H.R. 3454, The Endangered Wilderness Act, for full Cte. June 23; Full cte. consideration to begin after July 4.			
(a) Clean Air, H.R. 6161	P/S amended June 10, 1977	P/H May 26, 1977	In conference.....		
(b) Outer Continental Shelf.....	S. 9 on S. Calendar (Cal. No. 262)				
(c) Strip Mining.....	P/S amended May 20, 1977	P/H Apr. 29, 1977	In conference.....		
(d) Urban Homesteading (provisions in H.R. 6655).	P/S amended June 7, 1977	P/H May 11, 1977	do		
PM 86 (June 2, 1977): Extension of Most-Favored Nation Status of Romania.	Finance Subcte. on International Trade Trade hearing June 27.	Ways and Means Subcte. on Trade hearings July 18.			

¹ In H.R. 4876, Econ. Stim. App., Public Law 95-29.

² In H.R. 4877, Supplemental App., 1977, Public Law 95-26.

SENATE LEGISLATIVE ACHIEVEMENTS—95TH CONGRESS, 1ST SESSION (PREPARED BY SENATE DEMOCRATIC POLICY COMMITTEE, ROBERT C. BYRD, CHAIRMAN)

SENATE ACTIVITY

Days in session.....	100
Hour in session.....	586:24
Total measures passed.....	351
Private laws.....	2
Public laws.....	60
Treaties.....	0
Confirmations.....	40.575
Record votes.....	270

Symbols: (VV)—Passed by Voice Vote; numbers in parenthesis indicate number of record vote on passage, conference report, or reconsideration.

AGRICULTURE

Federal Crop Insurance Corporation capital. Amends the Federal Crop Insurance Act to increase the authorized capital stock of the Federal Crop Insurance Corporation from \$100 million to \$150 million in order to replenish its operating capital which was nearly exhausted as a result of indemnity payments to insured farmers for crop losses

during the 1976 drought and harsh winter of 1977. S. 955—Public Law 95-47, approved June 16, 1977. (VV)

Grain Inspection. Amends the United States Grain Standards Act to facilitate and improve the implementation of the amendments made in 1976 (Public Law 94-582); establishes a temporary 12-member committee (representing farmers, consumers and all segments of the grain industry) to advise the Administrator of the Federal Grain Inspection Service (FGIS) on the implementation of the 1976 act, and provides for its termination 18 months after the date of en-

actment; eliminates the requirement that grain merchandisers and elevator operators using grain inspection or weighing services maintain certain itemized types of records of their operations for a five-year period and requires them instead to keep only such records as the Administrator may prescribe for administration and enforcement; repeals, effective October 1, 1977, the authority for the charging of fees for Federal supervision of grain inspection and weighing and provides instead for funding of these activities through the regular appropriations process; makes several technical amendments; and prohibits effective May 1, 1977, subclassing of the hard red winter wheat on the basis of color, kernel content, or percentage of dark, hard and vitreous kernels. S. 1051—Passed Senate March 30, 1977. NOTE: (Provisions contained in S. 275, Omnibus Farm Bill, which passed the Senate May 24, 1977.) (88)

Land and water resources conservation. Establishes a mechanism for making long-range policy to encourage the wise and orderly development of the Nation's soil and water resources; requires the Secretary of Agriculture to (1) prepare an appraisal of the Nation's land, water and related resources and (2) develop a national land and water conservation program setting forth the direction for future soil and water conservation efforts on the Nation's private and non-Federal lands by December 31, 1979, and to update them each fifth year thereafter; requires that the appraisal and the program together with a detailed statement of policy intended to be used in framing budget requests for Soil Conservation Service activities be transmitted to Congress on the first day it convenes in 1980 and at each 5-year interval thereafter; requires that programs established by law be carried out in accordance with the statement of policy unless either House adopts a disapproval resolution within 90 days of receipt; provides that Congress may revise or modify the statement of policy, and that the revised or modified statement of policy shall be used in framing budget requests; requires, beginning with the fiscal 1982 budget, that requests sent by the President to Congress governing Soil Conservation Service activities express the extent to which the projected programs and policies meet the statement of policy approved by Congress; requires the President to set forth reasons for requesting Congress to approve a lesser program or policy where budget recommendations fail to meet the established policy; and requires the Secretary to submit to Congress beginning with fiscal 1982, an annual report evaluating the program's effectiveness. S. 106—Passed Senate March 23, 1977; Passed House amended June 6, 1977. (VV)

Omnibus farm bill. Extends for 5 years through fiscal year 1982 the basic price support programs for wheat, feed grains, cotton, rice, and wool; extends, with major changes, the food stamp program through fiscal year 1979; extends through 1982 the Food for Peace Program (P.L. 480) with some changes; and establishes a new charter and clearer direction for the Federal role in agricultural research;

Payments limitation. Places a limitation of \$50,000 on the total payments which a person may receive annually under one or more of the programs for wheat, feed grains, upland cotton, extra long staple cotton, and rice instead of the present \$20,000 limitation and the separate \$55,000 limitation on rice;

Commodity programs. Milk—sets the price support at 80 percent of parity adjusted semi-annually but reviewed quarterly; extends for 5 years the Class I base plans, seasonal base excess plans, and seasonal takeout-payback plans for 5 years; Wool—updates the support levels to 90

percent of the formula; Wheat—sets the target price in 1977 at \$2.90 per bushel and the target price for 1978 at \$3.10 per bushel and an increase thereafter if the cost of production exceeds that level; Feedgrains—sets the target price levels for corn at \$2.28 per bushel in 1978 and any increases thereafter will be based on cost of production, and ties the target level for other feedgrains to corn; Cotton—establishes a target price of 51.1 cents per pound for 1978 to increase in subsequent years in relation to cost of production increases; Peanuts—establishes a national acreage allotment and a minimum national poundage quota; sets up a price support program for producers through loans, purchases or other operations; Soybeans—requires price support loans for producers on the 1978 through 1982 crops at not less than \$4 per bushel;

Grain reserves. Requires the Secretary to formulate a producer storage program on original or extended price support loans for wheat and feedgrains at the same support level as provided by the 1949 Act, as amended; authorizes the President to negotiate a system of food reserves for humanitarian food relief and to maintain such a reserve of food commodities as a contribution of the United States to the system; expands the authority of the Secretary to acquire commodities for disposition in the event of national disasters; makes the following changes in the farm storage facility loan program: authorizes the Secretary of Agriculture to use guarantees on secured loans as well as direct loans as a means of assisting farmers to construct or purchase onfarm facilities; permits the making or guaranteeing of loans for the construction of facilities to store high moisture grain and forage crops, as well as dry grain; and requires, with respect to direct loans, that the borrower put up security for the loan and base the interest rate charged to farmers on the rate charged the Commodity Credit Corporation;

Food for peace program (P.L. 480). Extends the program through 1982 and increases the annual authorization to \$750 million (with the understanding that committees suggested reform would become a part of S. 1520, the foreign aid authorization bill);

Food stamp reforms. Extends the program for 2 years; eliminates the purchase requirement and establishes a single benefit reduction rate at 30 percent of net income; limits participation to households at or below official Federal poverty levels; replaces current itemized deductions with standardized deductions; requires unemployed participants to seek employment; requires a 60-day period of ineligibility for a household whose head voluntarily terminates employment; eliminates automatic, categorical eligibility of welfare recipients; gives Indian tribal organizations greater authority over food distribution programs on reservations; increases incentives for States to root out program abuse and improve administration; authorizes pilot projects to improve administration; and extends authority to purchase commodities and establishes the Federal share of administrative costs for the Commodity Supplemental Food Program;

Food and agricultural research. Expands support for research programs, improved dissemination of research findings, increased efficiency and coordination of Federally-funded food and agricultural research including nutrition research and animal health research; creates three interrelated advisory panels to improve coordination; provides for a program of competitive grants within the Department to initiate high priority research activities; authorizes the Secretary to make grants to agriculture experiment stations and land-grant universities to support the Federal-State cooperative research program; authorizes research on solar energy as ap-

plied to agriculture; directs the Secretary to develop and implement a national nutrition research and extension program;

Grain inspection. Adds the language of S. 1051, the Federal Grain Inspection and Weighing Program Improvements bill as earlier passed by the Senate, which amends the United States Grain Standards Act with respect to recordkeeping requirements and supervisor fees, and establishes an advisory committee to provide advice to the Administrator of the Federal Grain Inspection Service;

Other provisions. Amends the authorizations for several existing rural development and conservation programs and contains other provisions including those relating to the inclusion of aquaculture and human nutrition as functions of the Department of Agriculture, beekeepers indemnity, and the importation of fibbers. S. 275—Passed Senate May 24, 1977. (169)

Tobacco quotas. Amends the Agricultural Adjustment Act of 1938 to increase from 50 percent the amount of the farm acreage allotment for Flue-cured tobacco which must be planted on farms desiring to lease acreage-poundage quotas after June 14 of any year. H.R. 3416—Public Law 95-54, approved June 25, 1977. (VV)

Wheat and feed grains loan levels. States as the sense of the Senate that the Secretary of Agriculture should exercise his authority under existing law to increase the loan levels for the 1977 crops of wheat and feed grains. S. Res. 193—Senate agreed to June 22, 1977. (VV)

Wheat producers assistance. Provides temporary emergency assistance to wheat producers who planted prior to January 1, 1977, in order to prevent further increases in carryover stocks resulting from record U.S. wheat production and decreasing U.S. exports; requires the Secretary of Agriculture to carry out, through the Commodity Credit Corporation, a special wheat acreage grazing and hay program for the 1977 crop whereby a wheat producer who elects to participate may designate an acreage of cropland on his farm, of not to exceed 40 percent of the wheat acreage allotment, for grazing purposes or hay production only; requires that the producer designate the specific acreage on the farm to be so used; directs the Secretary to pay any participating producer an amount determined by multiplying the number of acres placed in the program times the projected yield established for the farm times \$1; makes the producer ineligible for any other payments or price supports, including deficiency payments and disaster payments under section 107 of the Agricultural Act of 1949, on that portion of the wheat allotment placed in the program; provides that such acreage shall be deemed to have been planted for harvest for the purposes of wheat acreage history; and authorizes the Secretary to issue the necessary regulations to carry out this act. S. 650—Passed Senate March 16, 1977. (60)

Wheat referendum. Defers the wheat marketing quota referendum for the 1978 crop, which by law must be held no later than August 1, until 30 days after the adjournment of Congress or October 15, whichever is earlier, in order to provide additional time for enactment of legislation, presently being considered by Congress, for the 1978 and subsequent wheat crops which would eliminate the need for a referendum. S. 1240—Public Law 95-48, approved June 17, 1977. (VV)

APPROPRIATIONS

Fiscal 1977:

Continuing. Extends the continuing resolution (Public Law 94-473) which expires on March 31, 1977, until April 30, 1977, to provide financing authority for the following programs traditionally funded under the Departments of Labor, and Health, Education

and Welfare Appropriations Act: higher education; National Health Service Corps; home health services; emergency medical services; library resources; teacher corps; alcohol abuse and alcoholism prevention, treatment and rehabilitation; health professions educational assistance; D.C. medical and dental manpower; activities under title VI of the Comprehensive Employment and Training Act; vocational education; and National Institute of Education; and amends the resolution to provide such amounts as necessary for the calendar quarter ending March 31, 1977, for general revenue sharing payments to State and local governments. H.J. Res. 351—Public Law 95-16, approved April 1, 1977. (VV)

Economic stimulus. Makes economic stimulus appropriations in the total amount of \$20,101,484,000 in new budget obligational authority for fiscal year 1977 which is \$3,692,365,000 under the budget estimate; includes the following to implement the economic stimulus proposals recommended by the President in his message of January 31, 1977:

Public works projects—\$4 billion for acceleration of local public works projects; Revenue sharing program—\$4,991,085,000 for revenue sharing payments for the last three quarters of fiscal 1977;

Antirecession financing—\$632.5 million for increased antirecession payments under Public Law 94-369 to States and local governments in areas of high unemployment to assist them in maintaining basic services;

Public service employment—\$7.987 billion for public services jobs which will expand the present Comprehensive Employment and Training Act (CETA) public service programs from the current 310,000 jobs to 600,000 jobs by September 30, 1977, and 725,000 jobs by December 31, 1977;

Targeted employment and training programs—\$1.438 billion for programs targeted to youth, veterans and those in need of new skills; and

Older Americans—\$59,400,000 for an additional 14,800 jobs for community service employment for older Americans;

In addition, includes the following appropriations: \$95 million for production of NASA's third shuttle orbiter; \$300 million for the construction grants reimbursement program for sewage treatment plants; \$175 million for a drought assistance program contingent upon enactment of authorizing legislation; \$35 million increase in the obligation limitation on airport development grants; \$366 million for various programs authorized under the Federal-Aid Highway Act; \$50 million for the Northeast Corridor improvement programs to speed up construction currently underway; and \$2 million for IRS accounts collection and taxpayer service. H.R. 4876—Public Law 95-29, approved May 13, 1977. (130)

Supplemental. Makes supplemental appropriations in the total amount of \$28,923,859,260 for fiscal year 1977 for almost every department and agency of the Federal Government including appropriations to cover costs associated with the October 1, 1976, general government pay raise. H.R. 4877—Public Law 95-26, approved May 4, 1977. (98)

Urgent disaster supplementals. Makes urgent supplemental appropriations of \$200 million for fiscal year 1977 for disaster relief activities resulting from the severe weather conditions prevalent throughout the nation. H.J. Res. 269—Public Law 95-13, approved March 21, 1977. (VV)

Urgent power supplemental. Makes urgent power supplemental appropriations of \$6.4 million for fiscal year 1977 for the Department of the Interior, Southwestern Power Administration, for power purchases caused by critically low stream flow conditions in the area served by the Administration; and removes the restrictions in Public Laws 94-355 and 94-373 which limit the use of funds appropriated to ERDA subject to enactment

of authorizing legislation to assure the continued funding of essential energy research, development and demonstration programs. H.J. Res. 227—Public Law 95-3, approved February 16, 1977. (VV)

Fiscal 1978: Agriculture. Appropriates \$12,552,514,000 in new budget authority for fiscal year 1978 agricultural programs; provides total funding (new budget authority plus transfer authority) of \$13,921,514,000; limits to \$50,000 Federal payment to any sugar producer—the same limitation which applies to producers of wheat, feedgrains, cotton and rice; appropriates \$50 million for fiscal year 1977 to be immediately available for the Agricultural Conservation Program in drought areas in the Southeast; and contains other provisions. H.R. 7558—Passed House June 21, 1977; Passed Senate amended June 29, 1977; Senate requested conference June 29, 1977. (VV)

HUD. Appropriates a total of \$67,648,491,000 in new budget authority for fiscal year 1978 which includes \$35,655,781,000 for the Department of Housing and Urban Development; \$39,144,000 for the Consumer Product Safety Commission; \$843,203,000 for the Environmental Protection Agency; \$4,017,940,000 for the National Aeronautics and Space Administration; \$43,970,000 for the National Science Foundation; and \$17,194,882,000 for the Veterans' Administration; contains a provision to prohibit the use of government vehicles to drive Federal officials other than the Secretary of Housing and Urban Development between home and work; and provides that no government consultants shall be paid in excess of the rate paid a GS-18 civil servant. H.R. 7554—Passed House June 15, 1977; Passed Senate amended June 24, 1977; In conference. (237)

Interior. Appropriates a total of \$10,372,718,271 for the Department of the Interior and related agencies for fiscal year 1978; includes significant increases in natural resources programs, the Department's energy and minerals programs directed at the safe and environmentally sound development of energy resources both onshore and on the outer continental shelf, and the Forest Service; contains increased funding for energy programs outside the Interior Department with the major part directed to the Strategic Petroleum Reserve and programs benefiting American natives that are administered by Interior and HEW with emphasis on health, educational, and economic opportunities and the wise management of their natural resources; expands support for programs enhancing the Nation's cultural resources and for specific programs for the arts and humanities, historic preservation, the Smithsonian Institution, and others; and contains other provisions. H.R. 7636—Passed House June 9, 1977; Passed Senate amended June 17, 1977; Conference report filed. (221)

Labor-HEW. Authorizes a total of \$60,645,804,000 in new budget authority for fiscal year 1978 with \$5,932,962,000 for the Department of Labor, \$53,393,605,000 for the Department of Health, Education and Welfare, and \$1,319,237,000 for related agencies;

Makes significant increases over the Administration's budget requests for the following: employment and training assistance programs, with primary emphasis on creating jobs for unemployed youths; the Occupational Health and Safety Administration to provide for an additional 200 Federal compliance staff members; health programs for community health services, preventive medicine, research, and training; elementary and secondary education programs to provide title I grants to disadvantaged students, impact aid for schools in Federally affected areas, and emergency school aid to help school districts with special problems encountering special desegregation problems; higher education programs, particularly the basic opportunity grant and the direct student loan programs; the Head Start program;

aging programs; rehabilitation programs; community service programs; and the Corporation of Public Broadcasting;

Makes significant decreases in the Administration's budget requests for the Bureau of Labor Statistics, public assistance, and the Social Security Administration;

Prohibits the use of funds appropriated by this act to perform abortions except where the life of the mother would be endangered if the fetus were carried to term, or where medically necessary, or in cases of rape or incest; and prohibits the use of these funds to require the transportation of students, reorganization of school grade structures, pairing of schools, or clustering of schools for the purposes of achieving racial desegregation. H.R. 7555—Passed House June 13, 1977; Passed Senate amended June 29, 1977. (266)

Military construction. Appropriates \$3,130,630,000 for military construction for the Department of Defense for fiscal year 1978 which provides the necessary funding for the planning, design, construction, alteration and improvement of military facilities worldwide, both for active and Reserve forces, including military family housing; provides certain types of community impact assistance as well as assistance to members who face loss on the sale of private residences due to installation realignments; and provides for the U.S. share of NATO Infrastructure construction costs. H.R. 7589—Passed House June 21, 1977; Passed Senate amended June 29, 1977; Senate requested conference June 29, 1977. (VV)

State-Justice-Commerce. Appropriates a total of \$7,706,415,000 in new budget authority for fiscal year 1978 including \$1,215,120,000 for the Department of State; \$2,348,961,000 for the Department of Justice; \$1,985,749,000 for the Department of Commerce; \$444,318,000 for the Judiciary; and \$1,911,267,000 for related agencies including the Arms Control and Disarmament Agency, the International Trade Commission, the Small Business Administration, the Equal Employment Opportunity Commission, and the Legal Services Corporation; makes fiscal year 1977 supplemental appropriations totaling \$213,132,000 (of which \$200 million is for the Small Business Administration); and prohibits the use of funds for implementation of the President's pardon program for Vietnam-era draft resisters. H.R. 7556—Passed House June 13, 1977; Passed Senate amended June 24, 1977; Conference report filed (242)

Transportation. Appropriates \$6,276,989,023 for fiscal year 1978 for the Department of Transportation (including the Coast Guard, Federal Highway Administration, National Highway Traffic Safety Administration, Federal Railroad Administration, Urban Mass Transportation Administration, and Materials Transportation Bureau) and for related agencies (including the National Transportation Safety Board, Civil Aeronautics Board, Interstate Commerce Commission, Panama Canal Zone Government, United States Railway Association, Washington Metropolitan Area Transit Authority, and National Transportation Policy Study Commission). H.R. 7557—Passed House June 8, 1977; Passed Senate amended June 23, 1977; Conference report filed. (230)

Treasury-Postal Service. Appropriates a total of \$4,476,247,000 in new budget obligational authority for fiscal year 1978 of which \$2,845,714,000 is for the Treasury Department, \$1,695,540,000 is for the Postal Service, \$71,797,000 is for the Executive Office of the President, and \$2,863,196,000 is for certain independent agencies; H.R. 7552—Passed House June 8, 1977; Passed Senate amended June 20, 1977; Conference report filed. (22).

ATOMIC ENERGY AND NASA

NASA authorization. Authorizes \$4,049,429,000 for the National Aeronautics and Space Administration for fiscal year 1978 of which \$3,041,500,000 is for research and development, \$160,940,000 is for the construc-

tion of facilities, and \$846,989,000 is for research program and management; includes funds to support the following new programs: (1) 5 space shuttle orbiters, (2) development of the shuttle-launched space telescope for research in astronomy, (3) a third generation earth resources survey spacecraft, Landsat-D, to carry an advanced scanning instrument, (4) initiation of a search and rescue satellite system in cooperation with Canada, and (5) initiation of a Jupiter orbiter probe mission; provides continued funding of the Space Shuttle; and includes the second funding increment for a fuel efficient aircraft technology development program designed to decrease fuel consumption of commercial jet transports by 50 percent. H.R. 4088—Passed House March 17, 1977; Passed Senate amended May 13, 1977; Senate agreed to conference report June 21, 1977. (VV)

Nuclear Regulatory Commission authorization. Authorizes \$299,640,000 for fiscal year 1978 for Nuclear Regulatory Commission; includes \$41,480,000 for nuclear reactor regulation, \$12,130,000 for standards development, \$36,050,000 for inspection and enforcement, \$22,090,000 for nuclear materials safety and safeguards, \$14,400,000 for regulatory research, \$10,180,000 for program technical support, and \$29,310,000 for program direction and administration; provides for a reduction in appropriations if (1) the Clinch River Breeder Reactor Project is cancelled or indefinitely deferred, (2) the license application is withdrawn or further construction is cancelled for the fuel reprocessing plant at Barnwell, S.C., and (3) plans for commercial fuel reprocessing and plutonium recycles are cancelled; and directs the Administrator of the General Services Administration to study and report to the Environment Committee by June 15, 1977, on the feasibility of consolidating the NRC which is presently housed in nine buildings throughout the Washington metropolitan area. H.R. 3733—Passed House May 17, 1977; Passed Senate amended May 25, 1977. (VV)

BUDGET

Rescissions:

Helium purchases. Rescinds \$47.5 million in contract authority for helium purchases under Public Law 87-122 as recommended by the President in his message of September 22, 1976, for which purchase contracts were terminated by the Interior Department in 1973 and the contract authority therefore is no longer needed. H.R. 3347—Public Law 95-10, approved March 10, 1977. (VV)

Second budget rescission. Rescinds \$644,050,000 of the \$941,278,000 in budget authority recommended by the President in his message of January 17, 1977, as follows: Department of Defense—Military—\$143.6 million in retired pay, \$452.6 million in Naval shipbuilding and conversion because of the decision not to procure the fourth nuclear powered aircraft carrier (CVN-71) or convert the nuclear powered cruiser USS Long Beach to the Aegis air defense weapons system, and \$145.35 million for Air Force procurement because of termination of the Advanced Logistics System (ALS); \$41.5 million in funds appropriated to the President for foreign military credit sales; and \$12 million for the Department of State contributions for international peacekeeping activities because of the lower budget levels established by the U.N. General Assembly; and disapproves \$277,228,000 as follows: Department of Commerce—\$525,000 for salaries and expenses of the U.S. Travel Service and \$1.5 million for operations, research and facilities of the National Oceanic and Atmospheric Administration to continue surveys, mission and cost analysis and initiation of design and engineering studies for OCEANLAB; and \$6,803,000 for the Department of Transportation for retired pay for the Coast Guard. H.R.

3839—Public Law 95-15, approved March 25, 1977. (VV)

Resolutions:

Third budget resolution, 1977. Revises the Second Budget Resolution (S. Con. Res. 139) for fiscal year 1977 setting the level of revenues at \$347.7 billion, outlays at \$417.45 billion, deficit at \$69.75 billion, budget authority at \$472.9 billion and public debt at \$718.4 billion; contains an adequate funding level to permit enactment of up to \$13.8 billion in tax legislation stimulus as proposed by the administration and \$3.7 billion in increased outlays to produce jobs in areas of high unemployment; sets a level of budget authority at \$1.1 billion and outlays at \$760 million for EPA construction grants, railroad and highway construction and improvement in recreational facilities; sets the following levels of funding for the relief of individuals and families hard hit by the recession and the harsh winter: (1) 1.8 billion in budget authority and outlays for direct payments to recipients of social security, SSI, and railroad retirement, or any similar stimulus proposals, (2) \$508 million in budget authority and \$508 million in outlays to extend the Federal supplemental benefits program for the unemployed, and (3) \$200 million in budget authority and \$200 million in outlays for Federal assistance to low- and moderate-income families to help them meet fuel costs during the winter emergency; includes adequate levels of budget authority for housing to support increased reservations for a total of 360,000 dwelling units for low- and moderate-income families; and makes the following revisions to the totals for budget authority and outlays contained in the Second Budget Resolution to reflect savings which have been achieved and additional costs which have arisen under existing programs (in billions of dollars):

National Defense—BA.—\$108.8 instead of \$112.1, O: \$100.1 instead of \$100.65;

International Affairs—BA.—\$7.9 instead of \$8.9, O: \$6.8 instead of \$6.9;

General science, space, and technology—BA.—\$4.5 instead of \$4.6, O: \$4.4 instead of \$4.5;

Natural resources, environment, and energy—BA.—\$18.7 instead of \$18.2, O: \$17.2 instead of \$16.2;

Agriculture—BA.—\$2.3 instead of \$2.1, O: \$3.0 instead of \$2.2;

Commerce and transportation—BA.—\$17.3 instead of \$17.2, O: \$16.0 instead of \$17.4;

Community and regional development—BA.—\$14.8 instead of \$9.55, O: \$10.55 instead of \$9.05;

Education, training, employment and social services—BA.—\$30.4 instead of \$24.0, O: \$22.7 instead of \$22.2;

Health—BA.—\$40.6 instead of \$40.5, O: \$39.3 instead of \$38.9;

Income Security—BA.—\$170.9 instead of \$155.9, O: \$141.3 instead of \$137.2;

Veterans benefits and services—BA.—\$18.9 instead of \$20.3, O: \$18.1 instead of \$19.5;

Law enforcement and justice—BA.—\$3.5, O: \$3.6;

General Government—BA.—\$3.5 instead of \$3.6, O: \$3.5;

Revenue sharing and general purpose fiscal assistance—BA.—\$7.6, O: \$7.7;

Interest—BA.—\$38 instead of \$39.6, O: \$38 instead of \$39.6;

Allowances—BA.—\$0.8 instead of \$0.7, O: \$0.8;

Undistributed offsetting receipts—BA.—\$15.6 instead of \$16.8, O: \$15.6 instead of \$16.8. S. Con. Res. 10—Action complete March 3, 1977. (38)

First budget resolution, 1978. Sets the level for total budget outlays for fiscal year 1978 at \$460.95 billion, estimated revenues at \$396.3 billion, new budget authority at \$503.45 billion, and the estimated deficit at \$64.65 billion as compared to the President's

estimates of \$462.6 billion in budget outlays, \$404.7 billion in revenues, \$506.2 billion in new budget authority, and a proposed deficit of \$57.9 billion; sets the appropriate level of the public debt at \$784.9 billion and the amount by which the statutory amount may be increased at \$83.6 billion; for estimated revenues (1) assumes the level of fiscal stimulus in fiscal 1978 provided in the Tax Reduction and Simplification Act as agreed to by House and Senate conferees; (2) accepts a \$65 billion allowance for miscellaneous tax and tariff legislation; (3) considers the entire cost of the earned income credit as a reduction of revenue; and (4) postpones the treatment of tax credits in excess of recipients tax liabilities until development of the second budget resolution; recommends outlays for budget programs by function for fiscal year 1978 as compared with the President's proposed budget outlays as follows:

National Defense.—\$110.0 billion as compared to \$112.8 billion;

International Affairs (conduct of foreign affairs, foreign information and exchange activities, the Peace Corps, Food for Peace, and nonmilitary foreign assistance).—\$7.3 billion as compared to \$7.2 billion;

General Science, Space and Technology.—\$4.7 billion, which is the same estimate submitted by the President;

Natural Resources, Environment, and Energy.—\$20.0 billion as compared to \$20.9 billion;

Agriculture.—\$4.35 billion as compared to \$4.4 billion;

Commerce and Transportation.—\$19.4 billion as compared to \$19.9 billion;

Community and Regional Development.—\$10.8 billion as compared to \$9.9 billion;

Education, Manpower, and Social Services.—\$27.2 billion as compared to \$27.0 billion;

Health.—\$44.3 billion as compared to \$44.6 billion;

Income Security (social security and unemployment insurance, retirement systems for Federal and railroad employees and assistance programs for the needy).—\$146.7 billion as compared to \$148.7 billion;

Veterans Benefits and Services.—\$20.2 billion as compared to \$18.8 billion;

Law Enforcement and Justice.—\$3.85 billion as compared to \$3.8 billion;

General Government.—\$3.85 billion as compared to \$4.0 billion;

Revenue Sharing and General Purpose Fiscal Assistance.—\$9.7 billion, which is the same estimate submitted by the President;

Interest.—\$43.0 billion as compared to \$40.9 billion;

Allowances (includes Federal pay increases for civilian agencies and other expenditures which cannot be reasonably assigned to other functions).—\$1.9 billion as compared to \$1.2 billion; and

Undistributed Offsetting Receipts (includes receipts from rents and royalties on leases on the Outer Continental Shelf and other deductions from outlays which cannot be reasonably assigned to other functions).—\$16.3 billion in undistributed offsetting receipts in the Congressional budget as compared to \$16.0 billion in the President's budget. S. Con. Res. 19—Action completed by both Houses May 17, 1977. (137, 142)

CONGRESS

Congressional Campaign Committee employees retirement credit. Amends title V, U.S.C., to provide that a congressional employee may credit not to exceed 10 years of service as an employee of the Democratic Senatorial Campaign Committee, the Republican Senatorial Campaign Committee, the Democratic National Congressional Committee or the Republican National Congressional Campaign Committee for Civil Service Retirement purposes provided the required deposits for such service are made to the

fund; and makes the provisions of this act applicable to an employee who retires on or after the date of enactment. S. 992—Passed Senate March 5, 1977. (VV)

Joint Committee on Atomic Energy Abolishment. Abolishes the Joint Committee on Atomic Energy and provides for the disposition of its staff and the transfer of its statutory functions and authority to other congressional committees having jurisdiction over the development, utilization or application of atomic energy; establishes, until March 31, 1979, an Office of Classified National Security Information under the policy direction of the Majority and Minority Leaders and the administrative direction of the Secretary of the Senate which shall be responsible for safeguarding national security information and other restricted data; authorizes the office to classify and declassify information within the guidelines developed for restricted data by the responsible executive agencies and to establish a central repository in the Capitol for safeguarding such data; directs the Office, within 30 days of enactment, to furnish the Senate Armed Services, Energy, Environment and Foreign Relations Committees with a listing of all records, data, charts, and files to be transferred and to indicate which committee may have jurisdiction; directs the chairmen of the committees involved to resolve any jurisdictional problems which may arise; makes necessary conforming amendments to certain laws which pertain to the Joint Committee on Atomic Energy; and provides that this act shall become effective on the tenth day after the date of enactment. S. 1153—Passed Senate March 31, 1977. (VV)

State taxation of Members of Congress. Adds a new section 113 to title 4, U.S.C., effective with respect to all taxable years, which provides that no State in which a Member of Congress maintains a place of residence to attend sessions of Congress may for State income tax purposes treat the Member as a resident or domiciliary or treat his Congressional salary as income for services performed within or from sources within that State unless the Member represents the State. H.R. 6893—Passed House June 6, 1977; Passed Senate amended June 16, 1977. (VV)

CRIME—JUDICIARY

Daughters of the Confederacy patent renewal. Extends for 14 years design patent number 29,611 which is the insignia of the United Daughters of the Confederacy. S. 810—Passed Senate May 13, 1977. (VV)

Drug Enforcement Administration. Amends the Comprehensive Drug Prevention and Control Act of 1970 to extend for 2 years, through fiscal 1979, the Drug Enforcement Administration at an annual authorization of \$182 million plus such additional amounts as necessary for salary increases and other employee benefits authorized by law. S. 1232—Passed Senate June 6, 1977. (VV)

Jefferson F. Davis. Restores posthumously full rights of citizenship to Jefferson F. Davis effective December 5, 1968. S.J. Res. 16—Passed Senate April 27, 1977. (VV)

U.S. District Court terms. Amends section 104(a)(1), title 28, U.S.C., to provide for holding terms of the U.S. District Court for the Eastern Division of the Northern District of Mississippi at Aberdeen, Ackerman, and Corinth. S. 662—Passed Senate April 7, 1977. (VV)

Juvenile Justice. Strengthens and extends for 3 years, the program established by the Juvenile Justice and Delinquency Prevention Act of 1974; removes some of the legislative barriers to enable the Office of Juvenile Justice and Delinquency Prevention to meet its broad mandate; retains the Office's National Institute for Juvenile Justice and Delinquency Prevention and strengthens the scope of its activities particularly in the area of training; gives increased emphasis and recognition to the proper roles of the National

Advisory Committee for Juvenile Justice and Delinquency Prevention and the Coordinating Council on Juvenile Justice and Delinquency Prevention; provides for more significant input at all levels from persons who, by virtue of their training or experience, have special knowledge concerning the prevention and treatment of juvenile delinquency and the administration of juvenile justice; and reauthorizes the Runaway Youth Act through which the Secretary of HEW provides assistance to local groups to operate temporary shelter care programs in areas where runaways tend to congregate. H.R. 6111—Passed House May 19, 1977; Passed Senate amended June 21, 1977; In conference. (VV)

North Dakota judicial district. Amends title 28, U.S.C., to realign the judicial districts of North Dakota by transferring Bottineau, McHenry, and Pierce Counties from the Northeastern Division to the Northwestern Division and transferring Sheridan and Wells Counties from the Southeastern Division to the Northwestern Division in order to reduce the average distance which litigants, attorneys, and jurors in these counties must travel to the nearest place of holding court by approximately 100 miles. S. 195—Passed Senate May 24, 1977. (VV)

Omnibus Judgeships. Provides for the appointment of 110 additional permanent district court judges in 65 specified judicial districts; creates three temporary district court judgeships, for a minimum of 5 years, in the Eastern District of Kentucky, Southern District of West Virginia, and Southern District of Florida; divides the fifth circuit into a new fifth circuit consisting of Alabama, Florida, Georgia, and Mississippi which would have 14 judges, and a new eleventh circuit consisting of Louisiana and Texas which would have a total bench of 12 judges; creates a total of 35 new circuit court judgeships distributed as follows: one new judgeship in the first circuit; two in the second circuit; one in the third circuit; three in the fourth circuit; five for the revised fifth circuit; two for the sixth district; one for the seventh circuit; one for the eighth circuit; ten for the ninth circuit; one for the tenth circuit; and six for the new eleventh circuit; contains a "report back" provision which requires the Judicial Council of the Ninth Circuit Court to make recommendations for a solution to the unique problems of that circuit within one year of the date on which the tenth new judge is appointed; authorizes the Administrative Office of the United States Courts to upgrade and reclassify eight employee positions; and amends existing law to require that actions brought against rail or motor carriers on claims for damage or delay to shipments be subject to a minimum jurisdictional amount of \$10,000 for each bill in lading, in order to prevent abuse of the Federal judicial process by persons bringing such actions simply as a means of tolling the statute of limitations while settlement negotiations are undertaken. S. 11—Passed Senate May 24, 1977. (VV)

DEFENSE

Coast Guard authorization. Authorizes \$1,262,521,000 for fiscal year 1978 for the Coast Guard for the procurement of vessels and aircraft, construction and improvement of shore and offshore facilities, alteration and removal of obstructive bridges, aids to navigation, pollution abatement, administrative expenses, and operating expenses; authorizes a year-end strength for active duty personnel of 39,145; authorizes an average military student load of 5,506; includes funds for the recent Presidential program of boarding and inspecting oil tankers, reactivation of Coast Guard cutters to be used as back-up vessels in the enforcement of the 200-mile Fishery Conservation Zone, enforcement of the Fishery Conservation and Management Act of 1976, a search and rescue mission capability at the Portage, Mich., Coast Guard station, two additional ice-breaking tugs and one

large ice-breaker, procurement of 2 short-range recovery helicopters for the search and rescue station at Cordova, Alaska, the procurement of radar and other equipment for a continuation of various vessel traffic systems, and the study of oil spill containment in high seas or fast rivers; restore funds which the Coast Guard expended as a result of the unanticipated winter storm damage; adds a new section which permanently authorizes the Coast Guard to continue its present accounting procedure of merging prior year "Operating Expenses" and "Reserve Training" appropriations with current year appropriations for the same purposes; authorizes the Coast Guard to contribute funds to the North Marin County Water District in California for the construction of a sewage treatment plant; authorizes the Coast Guard to accept money from the city of Baltimore, Maryland, for use in replacing Coast Guard facilities which will be removed by the city incident to a road improvement project; re-extends an exemption from Coast Guard inspection for fishing tender and cannery tender vessels in the States of Alaska, Oregon, and Washington and authorizes the commandant of the Coast Guard to assist HEW in providing medical emergency helicopter transportation services to civilians. H.R. —Public Law 95—, approved 1977. (VV)

Defense production extension. Extends for two years, through fiscal 1979, the titles of the Defense Production Act of 1950, as amended, which contain the sole authority for a number of programs designed to maintain the national defense production base in peacetime, prepare for mobilization, provide a pool of trained manpower for war production management, provide uniform cost accounting standards for negotiated defense contracts, provide for the examination of national policy with regard to material supplies and shortages, and continue the Joint Committee on Defense Production. S. 853—Public Law 95-37, approved June 1, 1977. (VV)

Deputy and Under Secretaries of Defense. Eliminates one of the two positions of Deputy Secretary of Defense and establishes the position of Under Secretary of Defense for Policy; and changes the title of the Director of Defense Research and Engineering to that of Under Secretary of Defense for Research and Engineering. S. 1372—Passed Senate June 9, 1977. (VV)

Military construction authorization. Authorizes \$3,726,633,000 for construction and other related authority for the military departments, and the Office of the Secretary of Defense within and outside the United States; contains authority for the construction of new projects which will create an estimated 50,000 jobs in the construction industry and to operate and maintain the current inventory of military family housing; directs DOD to give the chemical weapons storage site program top priority; contains \$100 million for energy conservation programs; directs DOD to examine long-term goals which would eliminate reliance on oil and natural gas and utilize coal as a fuel source and to report to Congress before submitting the 1979 authorization; directs DOD to report on the construction backlog NATO and/or host nation participation; includes \$7.3 million for construction of support facilities for personnel stationed at Diego Garcia; increases from \$400,000 to \$1 million DOD authority for emergency minor construction projects without specific authorization; makes clear congressional intent that commissary surcharge funds may be used to provide new commissaries and renovate existing commissaries anywhere in the world; permits the Secretary to acquire by exchange certain lands contiguous to Fort Bliss Military Reservation, El Paso, Texas; increases from \$2 million to \$3.3 million the authorization for the construction of shoreside facilities for the U.S.S. Arizona memorial in

Hawaii; and permits the use of certain former military land conveyed to San Francisco for public purposes other than park and recreational uses thus permitting the city to construct a sewage treatment facility on the site. S. 1474—Passed Senate May 13, 1977; Passed House amended June 6, 1977; In conference. (VV)

Military enlistment and reenlistment bonuses. Amends chapter 5, title 37, U.S.C. to extend for 15 months, from June 30, 1977, to September 30, 1978, present law authorizing the armed services to pay enlistment and reenlistment bonuses to selected enlisted personnel who possess a critical skill or to those who enlist for service in a critical skill including the combat arms; and adds a provision whereby a member would forfeit his bonus if he becomes technically unqualified in the skill for which the bonus was paid unless it is the result of an injury, illness, or other impairment which is not a result of his own misconduct. H.R. 583—Public Law 95-57, approved June 29, 1977. (VV)

Military procurement authorization. Authorizes a total of \$35.955 billion for fiscal year 1978, for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development test, and evaluation for the Armed Forces; continues funding of submarine-based missiles, land-based ICBM's and manned bombers to maintain the strategic balance with the Soviet Union; increases funds for Naval shipbuilding including several new initiatives; contains funds to improve the deterrent and fighting capabilities of NATO without increasing the commitment of American ground forces; establishes a Naval Shipbuilding Commission to study and report to the President and Congress on current naval policies and procedure together with its recommendations on a more efficient and cost-saving means of procuring vessels; requires the Secretary to submit to the Armed Services Committees by October 1 of each year a full accounting of all experiments and studies conducted by DOD in the preceding 12-month period which involved the use of human subjects for testing chemical or biological agents and requires the Secretary to notify the Committees 30 days after final approval and 30 days prior to initiation of plans to conduct such tests; prohibits the use of funds after fiscal 1980 for the development or procurement of any main battle tank, mechanized infantry combat vehicle, armored personnel carrier, armored self-propelled artillery vehicle, or armored self-propelled air defense artillery vehicle which does not possess collective system for all occupants against chemical and radiological agents; sets the end-strength for active duty personnel at 2,071,900; limits the number of commissioned officers serving on active duty in grades above colonel and captain at 1,118 in fiscal 1978 and 1,071 in any fiscal year thereafter; provides that the total number of officers serving on active duty in the Marine Corps in the grades of general and lieutenant general may not exceed 15 percent of the total number of officers above the grade of colonel; sets at \$313.20 the monthly pay for a cadet and midshipman; sets the average strength for the reserve components of the Armed Forces at 857,400; authorizes an end strength of civilian personnel of 1,010,900 and calls for a reduction in personnel at grades GS-12 and above; authorizes the average military training student loads; includes \$95,250,000 for programs of the Defense Civil Preparedness Agency; requires the Secretary to maintain at least one Senior Reserve Officers' Training Corps unit in each State; provides for congressional consideration of modifications in U.S. Strategic Arms Programs which the President may recommend to facilitate negotiation or agreement in the Strategic Arms Limitation Talks; requires the Secretary to

report to Congress on the proposed sale or transfer of defense articles from active forces' inventories or current production valued at \$25 million or more; directs the Secretary to request retiring military and civilian personnel (of Grade GS-13 or above) during their last month of employment for suggestions for methods to improve procurement policy; and directs the Secretary to expand the job classifications to which female members of the Armed Services may be assigned. H.R. 5970—Passed House April 25, 1977; Passed Senate amended May 17, 1977; Conference report filed. (144)

DISASTER ASSISTANCE

Disaster relief programs. Amends the Disaster Relief Act Amendments of 1974 to extend the authorizations for the Federal disaster assistance programs of the Federal Disaster Assistance Administration, which expire on June 30, 1977, through fiscal year 1980. H.R. 6197—Public Law 95-51, approved June 20, 1977. (VV)

Drought emergency authority. Provides temporary authorities to the Secretary of the Interior to facilitate emergency actions to mitigate the impacts of the 1976-77 drought conditions affecting irrigated lands in the western States; authorizes the Secretary, acting through the Bureau of Reclamation and the Bureau of Indian Affairs, to: (1) study available means to augment, utilize, or conserve Federal reclamation and Indian irrigation projects water supplies and to undertake construction (which must be completed by November 30, 1977), management, and conservation activities to mitigate drought damage, (2) acquire water supplies by purchase from willing sellers and redistribute the water to users based upon priorities he determines, and (3) undertake evaluations and reconnaissance studies of potential facilities to mitigate the effects of a recurrence of a drought emergency and make recommendations to the President and Congress; provides that payment for water acquired from willing sellers be at negotiated prices; directs the Secretary to determine the priority of need in allocating the acquired or developed water; authorizes the Secretary to defer without penalty, the 1977 installment charge payments, including operation and maintenance costs, owed to the U.S. on Federal reclamation projects, with the costs to be added to the end of the repayment period which may be extended if necessary; requires that this program be coordinated, to the extent practicable, with emergency and disaster relief operations conducted by other Federal agencies under existing provisions of law; requires the Secretary to report to Congress by March 1, 1978, on all expenditures made under this act; authorizes the Secretary to make interest-free five year loans to individual irrigators for construction, management and conservation activities or acquisition of water; authorizes \$100 million to carry out the water purchase and reallocation (water bank) program of which 15 percent shall be available to carry out other programs authorized by this act; and provides that up to 15 percent of fiscal 1977 funds available to the Secretary for the Emergency Fund Act may be used for non-Federally financed irrigation projects, 5 percent for State Government drought emergency programs, and \$10 million for the purchase of water. S. 925—Public Law 95-18, approved April 7, 1977. (54)

Drought emergency relief. Authorizes \$225 million in grant and loan authority to the Economic Development Administration for assistance to States, Indian tribes or units of local government with a population of 10,000 or more for drought-related projects; includes among the permissible activities for which grants may be made the improvement or expansion of existing water supply facilities, construction of new facilities, well drill-

ing or impoundment where appropriate, transportation of water by pipeline, and purchase of water if it is the most economic method of providing the needed supply; gives the Secretary of Commerce authority to designate areas eligible for assistance; limits grants to 50 percent of the cost of any project and provides that loans shall be at 5 percent interest for not to exceed 40 years and at terms determined by the Secretary; directs the Secretary to consider the relative needs of the applicants giving priority to communities facing the most severe problems; permits obligation of funds for drought impacted projects conducted by eligible applicants during fiscal year 1977 if they are compatible with the purposes of the act; permits funds to be obligated to December 31, 1977, and requires that projects be completed by April 30, 1978; and extends the time allowed for convening the White House Conference on Balanced Growth and Economic Development from 12 to 18 months after the date of enactment of Public Law 94-487. S. 1279—Public Law 95-31, approved May 23, 1977. (VV)

DISTRICT OF COLUMBIA

D.C. Armory Board. Amends the Home Rule Act to allow the Armory Board of the District of Columbia, which manages Robert F. Kennedy Stadium and the D.C. Armory to operate under a fiscal year coinciding with the calendar year, rather than the October 1-September 30 fiscal year required of all city government agencies in order to accommodate the special seasonal nature of the revenues earned by the concerns, and changes the filing date for the Board's annual reports from January to July. S. 1062—Passed Senate May 26, 1977. (VV)

D.C. bonds. Adds a new subsection to the section of the Home Rule Act authorizing the issuance of revenue bonds to provide that payments made pursuant to acts authorizing such bonds may be made without further authorization or approval. S. 1063—Passed Senate May 26, 1977. (VV)

D.C. borrowing authority. Amends the Home Rule Act to extend until October 1, 1979, the District's interim authority to borrow from the Treasury of the United States to finance the District's capital improvements projects; changes from November 1 to February 1 of each fiscal year the date by which the Mayor must submit to the Council of the District a complete financial statement and report for the preceding fiscal year; and makes procedural and technical changes to the act respecting qualifications for appointment to the Commission on Judicial Disabilities and Tenure, and to the Judicial Nomination Commission. S. 1061—Passed Senate June 13, 1977. (VV)

D.C. reciprocal tax collection. Authorizes any State, territory or possession to bring suit in the Superior Court of the District of Columbia to recover any tax lawfully due and owing to it, if a reciprocal right is accorded to the District by the State, territory or possession. S. 1103—Passed Senate May 26, 1977. (VV)

Federal water and sewer payment. Allows the District of Columbia to collect the amount of money owing from the Federal Government for water and sewer services in its next fiscal year's budget. S. 1322—Passed Senate June 7, 1977. (VV)

George Washington University. Restates completely the charter of The George Washington University, substituting a more adequate, flexible and modern document for the cumbersome and antiquated original charter granted in 1921; changes the name from George Washington University to The George Washington University; cites the schools purposes and states explicitly that a policy of nondiscrimination must govern its pursuit of those objectives; enumerates the

specific powers of the University to control and direct its operations; provides for the creation of a board of trustees and its executive committee; vests in the board the powers to control and direct the operation of the university, in addition to authority over school personnel and the bylaws; empowers the trustees to merge the university with other nonprofit organizations; and ensures the continuity of the school's corporate status. S. 1060—Passed Senate May 26, 1977. (VV)

ECONOMY-FINANCE

Export Administration—Arab boycott. In title I, authorizes \$14,033,000 for the extension to the Export Administration Act of 1969, through fiscal year 1979; requires a review of the export control lists, rules, and regulations issued under the Act, to be submitted not later than December 1, 1978; authorizes the Secretary of Defense to recommend his approval of an export license application whenever he determines that the export would be detrimental to U.S. national security; exempts agricultural commodities purchased for export and stored in the United States from subsequent export restrictions if such storage will not have a serious domestic inflationary impact; requires a study of the national security impact of the export of technical information to restricted countries within 6 months of enactment and adds other reporting and notification requirements of the act;

Excludes petroleum products refined in the U.S. foreign trade zones or in Guam from any quantitative limitations imposed for short supply purposes unless the Secretary of Commerce limits such exports; prohibits export of Alaskan oil except (1) for exchanges of crude oil in similar quantity, for convenience or increased efficiency in transportation, with governments of adjacent foreign states, or for oil that is temporarily exported for increased efficiency of transportation across part of an adjacent foreign state and reenters the United States, or (2) where the President publishes and submits to Congress 60 days prior to export an express finding that the export of such oil is in the national interest and in accord with the provisions of the Export Administration Act of 1969; allows a 60-legislative-day period for any such action to be vetoed by either House of Congress prior to any export; provides that any contract for the export of such oil may be terminated any time that U.S. petroleum suppliers are seriously threatened;

Reaffirms Congressional intent that the secrecy provisions of the act do not abridge the inherent right of Congress to acquire information obtained under the act; directs the Secretary of Commerce to undertake a review of unilateral and multilateral export controls and to submit the results to Congress by December 31, 1978; requires that monitoring of exports for short supply purpose commerce at a time adequate to insure that sufficient data will be available to permit achievement of the act; increases the penalties applicable to violations of the Export Administration Act and otherwise improves the administration of U.S. export controls;

In title II, seeks to prevent most forms of compliance with foreign boycotts; prohibits refusal to do business with blacklisted firms and boycotted friendly countries pursuant to foreign boycott demands; prohibits discrimination against any U.S. person on the grounds of race, religion, sex, or national origin in order to comply with a foreign boycott; prohibits U.S. persons from furnishing information about any person's race, religion, sex or national origin for foreign boycott enforcement purposes; provides for public disclosure of requests to comply with foreign boycotts; requires domestic U.S. persons who receive such requests to disclose publicly whether they are complying with such requests; provides that these provisions apply

to all domestic concerns and persons, including intermediaries in the export process;

Exempts from the antiboycott provisions transactions in which a unilateral and specific selection is made by a boycotting country, or national or resident thereof; allows United States persons residing in a foreign country to comply with the laws of that country with respect to his activities exclusively therein; permits a negative certification with respect to carriers or route of shipment in order to comply with requirements protecting against war risks and confiscation; allows compliance with immigration or visa requirements with respect to the individual and members of his family; permits U.S. persons to comply with requests for information pertaining to securing or maintaining employment in a boycotting country; preempts all State foreign boycott laws; provides a 2-year grace period for agreements in effect on or before March 1, 1977, with three additional 1-year extensions available in cases where good faith efforts are being made; and generally strengthens U.S. law against foreign boycotts to reduce their domestic impact. H.R. 5940—Public Law 95-52, approved June 22, 1977. (140)

Export-Import Bank. Extends from June 30, 1978, to September 30, 1978, the operating authority of the Export-Import Bank in order to conform to the new fiscal year. H.R. 6415—Passed House May 3, 1977; Passed Senate amended June 29, 1977. (VV)

Foreign corporate bribes and domestic disclosure. Amends the Securities Exchange Act of 1934 to require companies subject to the jurisdiction of the Securities and Exchange Commission to maintain accurate records, prohibit certain bribes, and expand and improve disclosure of ownership of the securities of U.S. companies;

In title I, requires companies subject to SEC jurisdiction to maintain strict accounting standards and management control over their assets; prohibits the falsification of accounting records and the deceit of accountants auditing the books and records of such companies; makes it a crime for U.S. companies to bribe a foreign government official for the specified corrupt purposes; imposes a maximum fine \$500,000 on companies and \$10,000 and 5 years imprisonment on individuals for violation of the criminal prohibitions;

In title II, requires those persons who already file reports with the SEC when they own more than 5 percent of the shares in a U.S. company to identify their residence, citizenship, and the nature of their beneficial ownership; provides for the development of a comprehensive system in publicly held companies; requires the Commission to consolidate the various beneficial ownership reporting requirements of the Securities Exchange Act into a centralized nonduplicative system for the collection of such information, and to tabulate and make it available to regulators and the public; requires the Commission, within 30 months of enactment, to report to Congress with respect to the effectiveness of the ownership reporting requirements and the desirability and feasibility of reducing or otherwise modifying the 5-percent disclosure threshold giving appropriate consideration to specified regulatory and public policy; and provides the Commission with authority to assure that the jurisdictional effectiveness of section 15(d) of the Securities Exchange Act is not inappropriately limited because of the use of nominee and street name registration of securities. S. 305—Passed Senate May 5, 1977. (VV)

Interest rates (regulation Q)—Federal Credit Unions. Extends from March 1, 1977, until December 15, 1977, existing authority (commonly known as Regulation Q) under the Interest Rate Control Act by which Fed-

eral financial regulatory agencies set interest rate ceilings on deposits in financial institutions under their respective jurisdictions; extends until August 31, 1977, the Treasury Department's authority to borrow funds from the Federal Reserve System;

Modernizes the powers of Federal credit unions under the Federal Credit Union Act in order that they may provide more contemporary financial services to their members; considers demand deposit accounts of state chartered credit unions as member accounts, if they qualify pursuant to state law, thus making them eligible for Federal share insurance; establishes varying self-replenishing lines of credit to member borrowers; removes the distinction between secured and unsecured loans and raises the maximum loan maturities to 12 years (currently 5 years on unsecured loans and 10 years on secured loans); empowers the board of directors to establish their own loan maturity and collateral requirements; removes the \$2,500 maximum amount for unsecured loans; provides the necessary flexibility to meet members' needs in accordance with the applicant's creditworthiness and the credit union's soundness rather than arbitrary loan ceilings; permits real estate loans with maturities up to 30 years; and includes the following restrictions on such lending authority: (1) loans must be secured by a first lien, (2) loans must be for a one-to-four family dwelling, (3) the dwelling must be the principal residence of the borrower, and (4) the sales price must not exceed 150 percent of the median sales price of residential real property to be determined on a market area basis; allows loans with maturities of up to 15 years for the purchase of mobile homes used as the member's residence, or for the repair, alteration or improvement of a member's residence; permits Federally guaranteed or insured loans, such as the VA guaranteed mobile home loans, with maturities as specified in those statutes; increases the officials' borrowing limit on unsecured loans from \$2,500 plus pledged shares to \$5,000 plus pledged shares and permits them to guarantee or endorse up to the same amounts without board approval; clarifies the existing provisions regarding the penalty for excess interest and the provision regarding loan amortization; ensures that a member may repay his or her loan prior to maturity with no penalty; authorizes loans to other credit unions and credit union organizations; and contains other provisions. H.R. 3365—Public Law 95-22, approved April 19, 1977. (VV)

Securities and Exchange Commission authorizations. Amends the Securities Exchange Act of 1934 to increase the authorization for fiscal year 1977 from \$55 million to \$56.5 million. S. 1025—Public Law 95-20, approved April 13, 1977. (VV)

Authorizes \$58,290,000 for fiscal year 1978 to the Securities and Exchange Commission. H.R. 3722—Passed House May 17, 1977; Passed Senate amended May 25, 1977. (VV)

Small business amendments—disaster relief loans. Amends the Small Business Act to authorize \$954.7 million for the Small Business Administration for fiscal year 1978 of which \$47.1 million is for the surety bond guarantee program, \$4 million for the lease guarantee program, and \$171 million for salaries and expenses; places ceilings for the first time on SBA lending programs except for the physical and economic injury disaster loans which are open ended authorizations; places greater emphasis on the non-lending programs by (1) directing SBA to develop a small business procurement source data bank, and (2) authorizing additional procurement officers by the Federal Government, and (3) increasing the authorization for development of various business management training program; gives SBA the discretionary authority to suspend inter-

est and principal payments on both direct and guaranteed loans made by private lenders; authorizes SBA to certify a small business company's ability to perform a specific Government contract; makes handicapped sheltered workshops eligible for small business set-aside procurement contracts; directs that priority be given to labor surplus areas when awarding small business set-aside contracts; enables homebuilders to obtain SBA financial assistance by permitting financial for residential or commercial construction or rehabilitation for sale or rental; provides that nonprofit groups of 75 members or less who have organized for purposes of rehabilitating blighted urban or rural areas may also obtain loans; allows SBA to make compliance loans to small firms who must meet Federal regulatory standards adopted prior to 1974;

Authorizes the Administrator, upon certification by a State Governor, to make loans to small business concerns that have suffered economic injuries as a result of a disaster occurring after July 1, 1975, and are in need of financial assistance not available on reasonable terms in the disaster area; places a \$100,000 limitation on the amount of a loan and permits the Administrator to defer payment of principal and interest for 1 year; lowers the interest rate on physical disaster loans for the uninsured damaged portion of a principal residence and property from the present rate of 6% percent to the following: 1 percent on the first \$5,000 worth of damage, 2 percent on the second \$5,000, and 3 percent on all damage above \$10,000; limits to 3 percent the interest rate on all other loans and permits the forgiveness of principal amounts over \$500 as follows: up to \$1,000 when the uninsured damage is equal to between 10 and 20 percent of the market value, up to \$2,000 when the uninsured damage is equal to between 20 and 30 percent of the market value, and up to \$3,000 when the uninsured damage is equal to 30 percent or more of the market value; gives qualifying applicants the option of receiving a one-third payment equal to the amount that would be forgiven in place of a loan; makes the loan rate of the Farmers Home Administration compatible, with that of SBA by reducing from 5 to 3 percent the interest rate on loans to finance the repair or replacement of property, including crops and livestock, which was lost, damaged or injured because of a disaster occurring on or after July 1, 1976; authorizes SBA to increase the principal of a loan by not to exceed \$2,000 in order to insulate property which was damaged or destroyed during the period April 1, 1977, to October 1, 1977, whether or not the property was insulated at the time of the damage; and requires the Administrator to submit a report to Congress evaluating the program and making recommendations as to its continuation, modification or termination. H.R. 692—Passed House February 9, 1977; Passed Senate amended May 19, 1977; In conference. (VV)

Small business loan ceilings. Amends the Small Business Act to increase the fiscal year 1977 authorization ceilings for the following SBA financial assistance programs: Business Loan and Investment Fund from \$6 billion to \$7.4 billion, Economic Opportunity Loans from \$450 million to \$525 million, and Small Business Investment Company Program from \$725 million to \$887.5 million; and amends the Small Business Investment Act of 1958 to increase the fiscal year 1977 ceiling on the Surety Bond Guarantee Program from \$56.5 million to \$110 million. H.R. 2647—Public Law 95-14, approved March 24, 1977. (VV)

Smith College carillon—SSI food stamp eligibility—child support funding—child day care study—medicaid funding. Directs the Secretary of the Treasury to admit free of

duty thirty-three carillon bells, including all accompanying parts and accessories, provided by the Paccard Foundrie de Cloches, Annecy, France, for the use of Smith College, Northampton, Massachusetts;

Extends through fiscal year 1978 current provisions of law relating to the method whereby SSI recipients are eligible for food stamps;

Extends from July 1, 1977, through fiscal year 1978 the Federal matching payments to States for paternity and parent locator services directed toward maximizing child support for nonwelfare families;

Extends from July 1, 1977, until April 1, 1978, the date by which HEW must submit its report on the appropriateness of the Federal Interagency Day Care Program; and

Extends for 90 days the statutory requirement whereby States must have in place regular independent evaluations of long-term patients in skilled nursing homes, intermediate care facilities, and mental hospitals to be eligible for their share of Medicaid funding. H.R. 1404—Public Law 95-59, approved June 30, 1977. (VV)

U.S. International Trade Commission. Authorizes \$12,187,000 to the U.S. International Trade Commission for fiscal year 1978; makes the Chairman, rather than the full Commission, responsible for administrative matters; and authorizes the Commission to continue publication of its reports on synthetic organic chemicals until 1981. H.R. 6370—Passed House April 25, 1977; Passed Senate amended May 17, 1977; In conference. (VV)

White House Conference on Small Business. States as the sense of the Senate that the President should convene a White House Conference on Small Business to develop recommendations that will increase public awareness of the importance of small business; identify the problems of new, small, and independent business enterprise; and suggest appropriate governmental actions to encourage and maintain the economic interests and potentials of the small business community in order to strengthen the overall economy of the Nation. S. Res. 105—Senate agreed to March 28, 1977. (VV)

EDUCATION

Education of the handicapped. Extends certain programs under the Education of the Handicapped Act for 5 years, through fiscal year 1982, with authorizations for each of fiscal years 1978 through 1982, respectively, as follows: (1) Part C, Centers and Services to Meet Special Needs of the Handicapped—\$76 million, \$80 million, \$86 million, \$89 million, and \$93 million; Part D, Training Personnel for the Education of the Handicapped—\$77 million, \$82 million, \$87.5 million, \$92.5 million, and \$97.5 million; Part E, Research in the Education of the Handicapped—\$20 million, \$22 million, \$24 million, \$26 million, and \$28 million; Part F, Instructional Media for the Handicapped—\$24 million, \$25 million, \$27 million, \$29 million, and \$29 million; and provides the authority for the Bureau of Education to support model education projects for all handicapped children under section 641 of the act. H.R. 6692—Public Law 95-49, approved June 17, 1977. (VV)

Higher educational technical amendments. Makes technical and miscellaneous changes to the higher education provisions contained in the Education Amendments of 1976 (Public Law 94-482). H.R. 6774—Public Law 95-43, approved June 15, 1977. (VV)

Vocational education amendments. Makes a number of technical amendments to title II of the Education Amendments of 1976, Public Law 94-482, dealing with printing and clerical errors and changing certain reporting dates; removes the \$25 million a year limit for State administrative expenses and authorizes funds under the basic State grant for this purpose with the requirement that

States match Federal funds used; requires States to set forth in their State plan the amount of Federal funds it plans to retain at the State level for administration; and gives each local recipient the option of using a percentage of Federal funds in their vocational education program or to use any amount of Federal funds as long as they are matched by State appropriated funds for administrative expenses. H.R. 3437—Public Law 95-40, approved June 3, 1977. (VV)

ELECTIONS

Federal Election Commission authorization. Authorizes \$7.5 million for activities of the Federal Election Commission for fiscal year 1978. S. 1435—Passed Senate May 5, 1977. (VV)

Overseas citizens voting rights. Amends the Overseas Citizens Voting Rights Act of 1975 and the Federal Voting Assistance Act of 1955 to improve the administration and operation of these laws; vests the authority and responsibility for collecting and disseminating absentee voting information to citizens overseas in the President's designee (currently the Secretary of Defense) under the Federal Voting Rights Assistance Act; authorizes utilization of the same ballot application and free airmail postage provisions presently contained in the Federal Voting Assistance Act for all citizens residing overseas; provides the designee with the authority to revise the absentee registration and ballot application forms currently recommended for use by military personnel and civilians temporarily residing abroad and to develop a single form which could also be used by citizens covered by the Overseas Voting Act; provides that any balloting material sent from the United States to persons covered by either act or returned by them to this country shall be sent by priority airmail or by the most expeditious postal service available; directs the designee to publicize and notify appropriate citizens and State election officials of the availability of free postage and the expedited mail delivery of balloting material; and provides that the exercise of the right to register or vote in Federal elections by citizens residing overseas shall not affect the determination of his place of residence or domicile for the purpose of any tax imposed under Federal, State, or local law. S. 703—Passed Senate May 9, 1977. (VV)

EMPLOYMENT

CETA. Extends the authorization of sums as may be necessary for all titles of the Comprehensive Employment and Training Act (CETA) through fiscal year 1978; extends the amendments to title VI made by the Emergency Jobs Programs Extension Act of 1976, which provide that each prime sponsor of a public service employment program may use its allocation, first, to sustain its existing member of public service jobs holders under the Act, and shall thereafter fill any additional public service jobs with low-income persons unemployed for at least 15 weeks who have been receiving or are eligible for unemployment compensation, and also provide that 50 percent of title VI job vacancies due to attrition must meet those eligibility requirements, but the remaining 50 percent may be filled under the original title VI requirements (15 days unemployment in areas having 7 percent or higher unemployment rates, and 30 days unemployment in other areas). H.R. 2992—Public Law 95-44, approved June 15, 1977. (VV)

Emergency unemployment compensation. Extends the Emergency Unemployment Compensation Act to October 31, 1977, to provide a maximum of 13 weeks of emergency benefits (which combine with the 26 weeks of regular and 13 weeks of extended benefits for a total of 52 weeks of unemployment benefits) in States where the insured unemployment rate is 5 percent or more, with a phase-out under which individuals eligible

before October 31, 1977, may continue to receive benefits until January 31, 1978; extends until April 30, 1977, the maximum 26 week program now in effect (which combine with 26 weeks of regular and 13 weeks of extended benefits for a total of 65 weeks of unemployment benefits) in order to avoid terminating benefits for certain participants in that program; provides that the cost of emergency unemployment compensation paid after March 31, 1977, be met from nonrepayable general revenues without the present law requirements that the costs ultimately be met from Federal Unemployment Tax;

Provides that, in addition to any eligibility requirements of State law, an individual would be disqualified from receiving emergency benefits for failing to (1) actively seek work, (2) apply for any suitable work which was referred by the State agency, or (3) accept any offer of suitable work; defines suitable work as that which (1) is within the capabilities of the claimant, (2) meets conditions of present Federal law, (3) meets the conditions of State law and practices pertaining to suitable or specific disqualifying work such as unreasonable travel distance or threat to morals, health, or safety, (4) pays wages equal to Federal or State minimum wage, (5) pays gross average weekly remuneration equal to the individual's weekly unemployment benefits plus any Supplemental Unemployment benefits he might be entitled to, and (6) was listed with the State employment service or offered in writing; allows a State to waive these requirements if an individual furnishes satisfactory evidence that prospects for obtaining work within a reasonable period of time in his or her occupation are good;

Establishes new statutory authority and procedures for the treatment of fraud and erroneous payments; disqualifies applicants submitting false or erroneous information; requires States with certain exceptions, to recover any overpayments made to individuals; makes fraud in connection with the program a Federal crime and imposes a fine of up to \$10,000 and imprisonment for up to 5 years;

Provides for State implementation of changes made by this act; requires each State to enter into a modification if its present agreement within 3 weeks after the Secretary of Labor proposes the modification to the State; provides that if modification is not entered into, the Unemployment Compensation Program in that State would expire within the last week which ends on or before March 31, 1977; permits Kentucky, which does not have a scheduled meeting of its legislature during 1977, to defer until 1979 compliance with certain requirements of the act;

Simplifies administration by terminating an individual's entitlement to emergency benefits two years after the end of the benefit year for which regular benefits were payable; extends for two years, through 1979, the moratorium under which the Federal unemployment tax is automatically increased to recapture any loan to a State which is unpaid after 2 years; prohibits benefits to an individual who was illegally working at the time he earned his eligibility; allows States to deny unemployment compensation to teachers during brief mid-year vacation periods if the teacher was employed by the school system immediately before the start of the vacation and has reasonable assurance of the employment continuing at the conclusion of the vacation; makes clear that groups of local governments are to be provided the same options for financing unemployment compensation as those provided to single government units; extends from September 30, 1979, to March 31, 1980, the provision contained in Public Law 94-566 which requires States to reduce the unemployment benefits of an individual by the amount of any public

or private pension including social security and railroad retirement annuities in order to conform this enactment date with the final reporting extension granted the National Commission of Unemployment Compensation; extends the time by which the National Commission on Unemployment Compensation must submit its interim report from March 31, 1978, to September 30, 1978, and the time by which it must submit its final report from January 1, 1979, to July 1, 1979; and amends present law to require an affirmative vote of the Senate and the House to make effective the President's quadrennial recommendations regarding the salary increases of Members of Congress, the Federal Judiciary, Cabinet officials and other top Federal personnel. H.R. 4800—Public Law 95-19, approved April 12, 1977. (82)

Public Works employment. Authorizes an additional \$4 billion to extend the program of grants to State and local governments to provide jobs through construction in places with the most distressing levels of unemployment as originally authorized under Title I of the Public Works Employment Act of 1976; provides that 65 percent of the funds be allotted on total numbers of unemployed and 35 percent on the basis of the relative severity of unemployment, with States participation in the 35 percent allocation only if their unemployment rates exceed 6.5 percent for the most recent 12 month period; provides that no State shall receive less than three-fourths of 1 percent nor more than 12.5 percent; requires that within a State 70 percent or more of the funds be spent in areas with rates of unemployment above the national average and 30 percent for areas with rates below the national average but above 6.5 percent; provides a \$70 million set aside for grants that were not received, considered or rejected solely because of an error by a U.S. employee or officer; contains a 2½ percent set-aside for Indian and Alaskan Natives projects to insure a substantial fund for such projects while permitting high-unemployment non-Indian communities a competitive chance to be awarded projects in States with Indian communities; includes the transportation of water to drought-stricken areas within the term "public works project" and permits and applicant who received a grant to substitute one or more projects for the project for which the grant was made under certain conditions approved by the Administrator; requires that all articles, materials and supplies used in a project be produced and made from substances mined or produced in the U.S. except in certain cases; requires a grant applicant to expand 10 percent of the funds for minority business enterprises if available within project areas; requires that priority and preference be given to pending applications resulting in energy conservation; repeals the provision permitting the Secretary to consider the unemployment rate in adjoining areas from which the labor force for a project may be drawn; ensures that all laborers and mechanics employed on projects are paid the prevailing wage rate under the Davis-Bacon Act; requires the Secretary to consider only those applications for grants submitted on or after December 23, 1976, and before the date of enactment except for applications from the Trust Territory of the Pacific, Indian tribes and Alaska Native Villages or any applicant if a sufficient number of applications were not received; requires the Secretary of Commerce to study public works investment in the U.S. and report his findings to Congress within 18 months of enactment; requires the promulgation of regulations assuring special consideration to the employment of qualified disabled and Vietnam-era veterans;

Mandates, in Title II, the obligation of funds for water resource projects for fiscal 1977 (with the exception of the Meramec

Dam in Missouri) and states congressional intent not to uphold any prospective budget rescissions or deferrals regarding these projects; provides that the rates of interest or discount used to access the return on Federal investment in projects carried out by the U.S. Army Corps of Engineers or the Department of Interior Bureau of Reclamation be those established by the Water Resources Development Act of 1974 or by prior law authorizing such projects. H.R. 11—Public Law 95-28, approved May 13, 1977. (48, 126)

Youth employment and training. Adds a new youth employment title VIII to the Comprehensive Employment and Training Act of 1973 (CETA), as recommended by the President as part of his economic recovery package, and authorizes such sums as may be necessary to carry out the new title; creates, in part A, a National Young Adult Conservation Corps to provide work for unemployed youths in the Nation's parks and forests; authorizes, in part B, youth community conservation and improvements projects to put unemployed youths to work on the rehabilitation or improvement of public facilities, neighborhood improvements, weatherization and basic repairs to low-income housing, and conservation, maintenance, or restoration of natural resources on non-Federal public lands; authorizes, in part C, support for a broad variety of employment and training programs designed to enhance job prospects and career opportunities for young persons, including activities involving useful work experience opportunities in community betterment and appropriate training and services such as outreach, counseling, occupational information, institutional and on-the-job training, and transportation assistance;

Requires the Secretary of Labor to take steps to increase CETA participation by disabled veterans and Vietnam-era veterans under 27 years of age; provides that, in filling teaching positions in public schools with financial assistance under CETA title II (public service employment in high unemployment areas) or title VI (Jobs Corps), each prime sponsor shall give special consideration to unemployed persons with previous teaching experience who are certified by the State and who are otherwise eligible under CETA; and adds the Soil Conservation Service to government agencies where youth employment may be used. H.R. 6138—Passed House May 17, 1977; Passed Senate amended May 26, 1977; Conference report filed. (170)

ENERGY

Deepwater ports. Extends through fiscal year 1980 the annual \$2.5 million authorization under the Deepwater Port Act of 1974 which established a licensing and regulatory program governing offshore deepwater port development beyond the territorial limits of the United States. S. 891 (identical to H.R. 6401)—Passed Senate May 17, 1977. H.R. 6401—Public Law 95-36, approved June 1, 1977. (VV)

Department of Energy. Creates a cabinet-level Department of Energy (DOE) to permit coherent administration of the national energy policy by merging the following components: all functions of the Federal Energy Administration, the Energy Research and Development Administration, and the Federal Power Commission; four Regional Power Marketing Administrations and the power-marketing functions of the Bureau of Reclamation currently under the Department of Interior; functions relating to fuel supply and demand analysis currently under the Bureau of Mines; authority for development and promulgation of new building conservation standards now vested in the Secretary of HUD; Commerce Department programs to promote voluntary industrial energy conservation; jurisdiction over three naval oil reserves and three naval oil shale

reserves currently administered by the Department of Defense; authority currently vested in the Interstate Commerce Commission to regulate oil pipelines; and authority to publish guidelines for the Rural Electrification Administration on the issuance of loans or loan guarantees for generation and transmission facilities;

Provides that responsibility for promulgation of automobile efficiency standards will remain with the Department of Transportation but gives the Energy Secretary the right to appeal to the President if he is dissatisfied with the DOT's regulations; leaves responsibility for policing clean air standards with the Environmental Protection Agency; continues responsibility for actual leasing of resources for the extraction of energy sources from public land in Interior, but places control over economic terms and conditions of such leases in DOE; requires cabinet-level departments and agencies with conservation responsibilities to designate a principal conservation officer within their Department;

Creates a three-member Energy Regulatory Board, whose members shall be appointed by the President, subject to Senate confirmation, with responsibility for all major direct pricing actions and certification of pipeline routes; gives the Board primary responsibility for actions which directly establish rate and charges under the Natural Gas Act and the Federal Power Act, including the wellhead pricing for natural gas, wholesale electric rates, pipeline transmission charges; gives the board primary responsibility for actions under the Emergency Petroleum Allocation Act which affect the price and allocation of crude oil or oil products; creates an Energy Information Administration and an Economic Regulatory Administration; strengthens energy-related data-gathering authority; provides for Congressional review of transfer authority relating to oil transportation and remedial orders by the Energy Regulatory Board; requires an annual financial profile of the energy industry which includes an accounting of foreign ownership of domestic energy sources; contains measures to ensure public accountability; requires the preparation and submission of a national energy policy plan. S. 826—Passed Senate May 18, 1977; Passed House amended June 3, 1977; In conference with House conferees instructed to insist on "sunset" language which phases out the act on December 31, 1982. (148)

ERDA authorizations. Authorizes a total of \$4,946,261,000 for the Energy Research and Development Administration for fiscal year 1977, of which \$1,175,671,000 is designated for non-nuclear scientific research and programs, and \$3,770,590,000 is designated for non-weapon nuclear scientific research programs; includes: \$461,801,000 for fossil energy; \$286.2 million for solar energy; \$65.7 million for geothermal energy; \$221 million for conservation research and development; \$10 million for a high Btu pipeline gas demonstration plant; \$5 million for a fuel gas low Btu demonstration plant; and \$10 million for solar energy projects; authorizes funds for numerous plans to make improvements to comply with safety regulations; contains authorizations for capital equipment not related to construction to replace obsolete or worn-out equipment and to purchase certain new equipment to meet the needs of expanding programs and new technology at ERDA installations; provides an additional \$50 million for the clean boiler fuel demonstration plant authorized by Public Law 94-187 and \$15 million for the 5 megawatt solar thermal test facility authorized by Public Law 94-187; provides guidelines under which funds for fossil energy programs may be utilized; deauthorizes authorized fossil energy projects which were not appropriated within 3 full fiscal years; allows the Administrator to assist in the demonstration of the production

of synthesis gas, methane, methanol, anhydrous ammonia, and similar energy intensive products from municipal waste by entering into agreements with units of local government or persons proposing to construct facilities for the manufacture of such products; provides authority by which ERDA may reprogram funds between major program areas; directs ERDA to relate the funds authorized and appropriated in annual authorization and appropriation measures to the objectives and goals of the various enabling legislation under which the Agency operates; amends the Federal Nonnuclear Energy Research and Development Act of 1974 to transfer responsibility for preparation of demonstration project water assessments from ERDA to the Water Resources Council; requires the Administration to classify the recipients of ERDA contracts into various categories including: Federal agency, non-Federal governmental entity, profitmaking enterprise, nonprofit education institution; authorizes the establishment of a small grants program to promote the research, development, and demonstration of energy related systems and technologies appropriate to the needs of local communities; requires the Administrator, in consultation with EPA, to report to the Congress on the environmental monitoring, assessment and control efforts related to its various energy demonstration projects;

Authorizes \$464,302,000 for work in biomedical and environmental research, operational safety, environmental control technology, the materials sciences, and molecular mathematical and geosciences portion of the basic energy sciences program and program support; provides \$26.7 million for plant and capital equipment obligations including construction, acquisition, or modification of facilities, land acquisition, and acquisition and fabrication of capital equipment not related to construction; prohibits ERDA from starting projects if the current estimated cost exceeds the original estimated cost by more than 25 percent;

Authorizes ERDA to transfer sums from its "Operating Expenses" to other agencies for work for which the moneys were appropriated; authorizes "Operating Expenses" and "Plant and Capital Equipment" as no year funds; authorizes any Government-owned contractor operated laboratory, energy research center or other laboratory performing functions under contract to ERDA to use a reasonable portion of its operating budget for funding employee suggested research projects up to the pilot plant state of development; permits ERDA to contract for advanced architect/Administrator services for construction projects essential to meet the needs of national defense or the protection of life, property, health or safety prior to congressional authorization; requires any officer or employee of ERDA in a policy making position to report certain known financial interests in various energy technologies and related resources; directs the Administrator to develop regulations that would avoid conflicts of interest in ERDA contracts with private persons or organizations involved in energy research and development; and authorizes the establishment of a National Energy Extension Service. S. 36—Public Law 95-39, approved June 3, 1977. (VV)

Authorizes a total of \$2,496,762,000 for fiscal year 1978 for ERDA non-nuclear related programs and certain support activities for both nuclear and non-nuclear programs; provides \$977.15 million for the fossil energy development program to direct research of extraction, utilization, and conversion of coal, oil and natural gas, and oil shale and in-site coal gasification (of which \$88 million is for research in magnetohydrodynamics); \$131.8 million for the geothermal energy development program; \$384 million for solar energy development programs (of

which \$7.5 million is earmarked for design works for small community applications); \$372.8 million for energy conservation research and development programs to develop and demonstrate technologies for end-use conservation and conversion efficiency; \$249.9 million for the environmental research and development program to assure that environmental, health and safety standards are maintained as new energy technologies are introduced; and \$379.4 million for general program management and support. S. 1340—Passed Senate June 13, 1977. (195)

ERDA civilian/military authorization. Authorizes \$392,050,000 for fiscal year 1978 for operating expenses and plant and capital equipment for three ERDA military programs (laser fusion, space applications and naval reactors) which have potential for civilian energy applications. S. 1341—Passed Senate June 29, 1977. (VV)

ERDA defense program. Authorizes a total of \$1,780,436,000 for fiscal year 1977 and \$2,030,144,000 for fiscal year 1978 for certain Energy Research and Development Administration (ERDA) programs which have military applications; includes funding of the three national defense programs: (1) weapons activities—supporting the operation of the three weapons laboratories; research on advanced weapons and the full scale development of the following 7 weapons—B-61 and B-61-4 tactical bombs, Trident I missile warhead, full fuzing option strategic bomb, Mark 12-A warhead, 8-inch artillery projectile, and common warhead for land attack cruise missiles and short range attack missile; continued development of improved nuclear test detection methods necessary to monitor compliance with the limited Test Ban Treaty, Threshold Test Ban Treaty and Peaceful Nuclear Explosives Treaty; operation of the Nevada Test Site and the related costs of tests of advanced weapons concepts; maintenance and reliability assessment of the current weapons stockpile, production engineering for new weapons, nuclear materials recycle and recovery and security measures to protect nuclear shipments; and production of the following 9 new weapons for the war reserve: B-61-3, B-61-4, and B-61-5 tactical bombs, Lance enhanced radiation warhead, Trident I missile warhead, full fuzing option strategic bomb, Mark 12-A warhead, 8-inch artillery projectile, and common warhead for the land attack cruise missiles and the short range attack missile; (2) special materials production—supporting 3 reactors which produce enriched weapons grade uranium, plutonium and tritium; R & D associated with special materials production and management of radioactive wastes; and surveillance, maintenance and management of production reactor waste; and (3) nuclear explosives applications—supporting development of understanding of applications of nuclear explosives for peaceful purposes; includes \$411,344,000 for plant and capital equipment; provides for cost variations in the authorized amounts for projects; provides authority to merge funds appropriated in different years for the same requirement category; directs that funds appropriated pursuant to this act remain available until expended; authorizes ERDA to proceed to design any project subject to the total amount authorized for the activity; authorizes ERDA to retain monies received from outside sources and use them for operating funds; and authorizes ERDA to transfer funds to other agencies supporting its programs. S. 1339—Passed Senate May 22, 1977. (VV)

ERDA synthetic fuel loan guarantee program. Amends the Federal Nonnuclear Energy Research and Development Act of 1974 to establish a loan guarantee program to be administered by the Energy Research and Development Administration (ERDA) whereby the Administrator may guarantee the payment of interest and principal of

bonds, debentures, notes, and other obligations issued for the purpose of financing the construction and initial operation of commercial-sized demonstration facilities for the conversion of biomass into synthetic fuel or other useable forms of energy; authorizes guarantees of up to 75 percent of the total project cost and, during the construction and start up period, up to 90 percent; limits the total outstanding indebtedness that may be guaranteed at any one time to \$300 million; requires ERDA, before approving an application, to notify the appropriate State and local governmental officials and to give the Governor of the State an opportunity to make his recommendation respecting the facility; prohibits ERDA from guaranteeing a project if the Governor recommends against it; authorizes the Administrator, in the event of default, to complete the project and assume management of the facility including the authority to sell the products or energy produced; provides that any patents and technology resulting from the facility will be treated as assets in cases of default and requires that the guarantee agreement contain a provision assuring their availability to the Government if needed to complete the facility; and requires ERDA to submit a report of the proposed guarantee and facility to the appropriate committees of Congress which shall have 90 days to disapprove by passage of a disapproval resolution. S. 37—Passed Senate March 31, 1977. (VV)

Federal Energy Administration authorization. Extends through fiscal year 1978 the authorities under the Federal Energy Administration Act; includes \$1.210 billion to permit 250 million barrels of crude oil to be placed in the Strategic Petroleum Reserve by the end of calendar year 1978; contains \$1.8 million for the appliance labeling program under the Energy Supply and Environmental Coordination Act of 1974 and extends FEA's authority to require certain facilities which presently burn oil and gas to convert to coal; adds provisions limiting the powers of the regional counsels of FEA; establishes general procedures to be followed with respect to the use of commercial standards by the FEA; and requires the Administrator within 120 days of enactment, to publish regulations which would require prospective FEA contractors to disclose all relevant data which could cause a possible conflict of interest in carrying out activities for FEA. S. 1468—Public Law 95- , approved , 1977. (VV)

Natural gas emergency. Authorizes the President to declare a natural gas emergency if he finds that a severe shortage exists or is imminent in the United States which would endanger the supply of natural gas for high-priority uses and the exercise of his authorities is reasonably necessary to assist in meeting requirements for such uses; provides that these authorities shall terminate when the President finds that shortages no longer exist and are no longer imminent.

Emergency allocation. Authorizes the President, during a declared natural gas emergency, to require (1) any interstate pipeline to make emergency deliveries or transport interstate natural gas to any other interstate pipeline or a local distribution company served by an interstate pipeline; (2) any intrastate pipeline to transport interstate natural gas from one interstate pipeline to another or to any local distribution company served by an interstate pipeline; or (3) the construction and operation by any pipeline of necessary facilities to effect deliveries or transportation; directs the President, in issuing such orders, to consider the availability of alternative fuel to users of the interstate pipeline ordered to make deliveries and to determine that they would not have an adverse effect on the natural gas supply or exceed the transportation capacity of the

pipeline; provides that these authorities shall terminate by April 30, 1977, or after the President terminates the emergency, whichever is earlier;

Emergency sales at deregulated prices. Authorizes interstate pipelines or local distribution companies to purchase supplies of natural gas for delivery before August 1, 1977, from intrastate pipelines at unregulated prices as reviewed by the President for fairness and equity; provides that these purchases could be delivered from intrastate pipelines and any producer of natural gas not affiliated with an interstate pipeline unless such natural gas was produced from the Outer Continental Shelf, and the sale or transportation of the gas was not, immediately prior to the date of the contract for purchase of the gas, certificated under the Natural Gas Act; authorizes the President to require, by order, any interstate or intrastate pipeline to transport gas and operate facilities necessary to carry out emergency purchase contracts;

Miscellaneous. Authorizes the President to subpoena information to carry out his authority under the Act; contains antitrust protection provisions available as a defense against civil or criminal action brought against any person for violation of the antitrust laws with respect to actions taken pursuant to a Presidential order; gives the Temporary Emergency Court of Appeals exclusive jurisdiction to review all cases including any order issued or other action taken under this act; imposes civil penalties of up to \$25,000 a day for violations of orders and \$50,000 a day for willful violations; directs the President to require weekly reports which shall be made available to the Congress on prices and volume of natural gas delivered, transported or contracted for, and to report to Congress by October 1, 1977, on all actions taken under this act; and authorizes the President to delegate all or any portion of the authority granted to him to such executive agencies or officers he deems appropriate. S. 474—Public Law 95-2, approved February 2, 1977. (21)

Radiation exposure. Extends the program of the Energy Research and Development Administration (ERDA) to provide financial assistance to limit radiation exposure resulting from the widespread use of sand containing mill tailings in the construction of approximately 500 public and private buildings in the Grand Junction, Colorado area; calls for a cooperative arrangement with the State of Colorado whereby ERDA is authorized to provide 75 percent of the costs of the program; extends the deadline for applying for remedial work under the program from 4 to 7 years; provides that property owners who removed mill tailings at their own expense prior to the date of enactment and without the administrative determination required may apply for such reimbursement within the first year of enactment; permits the State of Colorado to waive the requirement that it perform the remedial work; and increases the authorization therefor from \$5 million to \$8 million. S. 266—Passed Senate April 4, 1977. (VV)

Stripmining control and reclamation. Establishes a program for the regulation of coal surface mining activities and the reclamation of coal mined lands to assure that surface coal mining operations—including exploration activities and the surface effects of underground mining—are conducted so as to prevent or minimize degradation to the environment and that such surface coal mining is not conducted where reclamation is not feasible; sets forth a series of minimum uniform requirements for all coal surface mining on both Federal and State lands which deal with (1) preplanning (requires that an operator applying for a permit do certain research regarding adjacent land uses, the characteristics of the coal and the overburden, and hydrologic conditions and

requiring inclusion in his application of the planned methodology and timetable for the operation in a reclamation plan); (2) mining practices (requires that mining methods be used which will minimize or obviate environmental damage or injuries to public health and safety including restrictions on the placement of overburden, blasting regulations, water pollution control requirements, and waste disposal standards); and (3) post-mining reclamation (requires reclamation and restoration of the mined land to its pre-mined condition including backfilling and regarding to approximate original contour, restoration of water quality and quantity, revegetation to pre-mining conditions and elimination of erosion and sedimentation with certain exceptions) provides that these minimum Federal standards be administered and enforced by the States and by the Secretary of the Interior on public lands; authorizes funds to assist States in improving their regulatory and enforcement programs; provides for Federal enforcement of a State program if a State fails to comply with the Act;

Provides for the protection of scarce and vital water resources in the permit application requirements, reclamation standards and provisions for designation of areas unsuitable for mining; provides for a mechanism on both State and Federal lands for citizens to petition that certain areas be designated as unsuitable for surface coal mining; prohibits stripmining of lands which cannot be reclaimed under the standards of the Act; prohibits stripmining in national parks and recreational areas (except for such lands which do not have significant forest cover within those national forests west of the 100th meridian) and areas which would adversely affect such parks; prohibits stripmining 300 feet from an occupied building, 100 feet from a public road, or 500 feet from an underground mine;

Permits certain variances to the mining-reclamation standards of the bill; requires with regard to lands where the Federal government owns the coal but not the surface estate that the surface owner must consent to the stripmining of the Federally-owned coal deposits unless the Secretary certifies that such mining is necessary in the national interest; provides that if the surface owner does not consent, he shall be compensated at twice the difference between the fair market value, without reference to the coal, before and after mining plus relocation costs, 2 years loss of income, and other damages; exempts mining operators with under 100,000 tons annual production from compliance with provisions of the Act for 24 months;

Bans strip mining on alluvial valley floors if it disrupts farming and the quantity and quality of the water supply except for (1) undeveloped range lands which are not significant to farming; (2) those lands the regulatory authority finds have negligible impact on the agricultural production of the affected farm; and (3) those surface coal mining operations in commercial production during the past year or for which a permit has been approved prior to enactment.

Requires that applicants seeking to stripmine on prime farmland demonstrate to the State regulatory authority that they can restore the land to its full premining agricultural potential;

Establishes a fund to be used to reclaim abandoned mined lands to be derived from a reclamation fee to be levied on every ton of coal mined at 35 cents per ton for surface mined coal and 15 cents per ton for all coal mined by underground methods or 10 percent of the value of the coal at the mine, whichever is less; requires that 50 percent of all fees collected in any one State be returned to that State; provides that the fee does not apply to lignite coal;

Provides that, beginning no later than 6 months from the date of enactment continuing until a State program has been approved or a Federal program has been implemented, the Secretary is required to carry out a Federal enforcement program which includes inspection and enforcement actions in accordance with the act; and contains comprehensive provisions for inspections, enforcement notices and orders, administrative and judicial review, penalties, and citizen participation. H.R. 2—Passed House April 29, 1977; Passed Senate amended May 20, 1977; In conference. (159)

ENVIRONMENT

Clean air. Amends the Clean Air Act, as amended, as follows:

Auto emission standards. Extends for 2 additional years, for model years 1978 and 1979, the existing interim auto emission standards of 1.5 grams per mile for hydrocarbons (HC), 15 grams for carbon monoxide (CO), and 2 grams for nitrogen oxides (NO_x); requires that 10 percent of the model 1979 production of each manufacturer with more than 3 percent of world sales in 1976 must meet the model 1980 final emission standards; for model year 1980 at .41 grams for HC, 3.4 grams for CO, and 1 gram for NO_x; authorizes EPA to waive the 1 NO_x standard to a level not to exceed 2 grams per mile (1) to encourage the production of new engines and emission systems not using precious metal catalysts, or (2) for small manufacturers who produce less than 300,000 cars and who must purchase this pollution control technology from another manufacturer (American Motors);

Amends existing law to allow States to require new cars to pass a State inspection emission test prior to sale and provides that the manufacturer bear the repair costs incurred;

Delay compliance. Authorizes EPA and the States to issue enforcement orders extending compliance schedules for stationary sources until July 1, 1979; provides a compliance deadline of July 1, 1981, if compliance is through adoption of an innovation process with industry-wide application; automatically subjects such source to a penalty after July 1, 1979, equal to the cost of compliance;

Nondeterioration. Provides that areas where air quality is presently cleaner than the existing standards shall be protected by non-deterioration standards; designates the most carefully protected areas as Class I areas and all other areas as Class II areas; designates all existing international parks, national parks areas which exceed 5,000 acres, and national wilderness which exceed 6,000 acres as Class I areas; allows a State to redesignate any Federal land as Class I area without the concurrence of any Federal authority; allows an Indian tribe to designate its land as Class I;

Defines "significant deterioration" in all clean air areas as a specified amount of additional pollution measured by increments of sulfur oxides and particulates; exempts facilities otherwise subject to the nondegradation provisions which emit less than 50 tons per year of total pollutants from the increment requirements; provides that State issue construction permits to new major emitting facilities in clean air areas (with EPA acting in the role of monitor of State actions) requiring the use of best available control technology; requires new sources locating in Class II areas to demonstrate to the State that they will not exceed the Class II pollution increments, or adversely affect the air quality values in any nearby Class I area;

Nonattainment areas. Requires new sources proposed for construction in nonattainment areas (where pollution levels exceed the public health standards) to meet a number of conditions prior to approval of

construction; requires that such sources meet the lowest achievable emission rate; requires that emission reductions from existing sources more than offset the emissions from the new source; requires that existing sources use all reasonably available controls; provides that sources may only be approved after July 1, 1979, if a State implementation plan exists, the source is in compliance with its requirements, and the plan assures the attainment of the health standards within 3 years; makes available an extension until 1987 for States that cannot show attainment of the oxidant and carbon monoxide standards within 3 years; provides waiver from the source-by-source emission offset requirement available to a State under limited conditions;

Other. Authorizes the President to require major noncomplying industrial coal burners to utilize coal supplies that are locally and regionally available instead of importing low-sulfur Western coal if necessary to avoid local economic disruption, after taking into account the final cost to the consumer; and contains other provisions. H.R. 6161—Passed House May 26, 1977; Passed Senate amended June 10, 1977; In conference. (190)

Earthquake hazards reduction. Establishes a national earthquake hazards reduction program under the direction of the President to minimize the loss and disruption resulting from future earthquakes; specifies the objectives of the program which includes the following four elements: (1) a research element dealing with fundamental earthquake risk analysis for land-use consideration, hazards assessment, and engineering and research to reduce earthquake vulnerability; (2) an implementation plan to be prepared within 6 months setting year-by-year targets through at least 1985, specifying roles for Federal agencies, and recommending appropriate roles for State and local units of government, individuals, and private organizations; (3) a State assistance program allowing assistance to the States under the Disaster Relief Act of 1974; and (4) the opportunity for wide sectors of the population to participate in the formulation and implementation of the program; calls for cooperation among a number of Federal agencies including the U.S. Geological Survey and the National Science Foundation; requires the President to report annually to the Congress on progress achieved in the program; and authorizes therefor \$55 million, \$70 million and \$80 million over a 3-year period for the U.S. Geological Survey and National Science Foundation to undertake specific activities and such sums as necessary for other agencies involved in the program. S. 126—Passed Senate May 13, 1977. (VV)

Endangered species. Extends through fiscal year 1980 the authorization for section 6(1) programs under the Endangered Species Act of 1973 at a rate of \$9 million for the Department of the Interior and \$3 million for the Department of Commerce to assist States in developing programs for the protection of threatened and endangered species of fish, wildlife, and plants. S. 1316—Passed Senate May 25, 1977. (VV)

EPA authorization. Authorizes a total of \$185,330,000 for the environmental research and development program conducted by the Environmental Protection Agency for fiscal year 1978 as follows: \$95 million for water quality under the Federal Water Pollution Control Act; \$10.8 million for pesticides under the Federal Insecticide, Fungicide and Rodenticide Act; \$830,000 for radiation under section 301 of the Public Health Service Act; \$8.2 million for toxic substances under the Toxic Substance Control Act; \$28 million for interdisciplinary activities; \$19 million for program management; \$10 million for a long-term R&D program; \$2 million for training of environmental health scientists; \$5 million for unanticipated environmental

emergencies; \$500,000 for a report by the Council on Environmental Quality on coordinating the environmental research and development activities of the various Federal agencies and departments which is to be submitted to the President and Congress by January 1, 1978; and \$5 million for Gulf Coast air quality studies; provides the legislative and statutory mandate for EPA's Science Advisory Board consisting of nine members, appointed by the Administrator for staggered terms, to review, conflicting claims and advise the Administrator on the adequacy and reliability of the technical basis for rules and regulations; and directs the Administrator to assess organizational structures and management techniques and determine what would be the most appropriate means of tying together the program offices, research laboratories and contracted research efforts and to submit a report to the President and Congress by September 30, 1977. H.R. 5101—Passed House April 19, 1977; Passed Senate amended May 27, 1977. (VV)

National Advisory Committee on Oceans and Atmosphere. Repeals the Act of August 16, 1971, which established a National Advisory Committee on Oceans and Atmosphere and establishes a new and smaller National Advisory Committee on Oceans and Atmosphere (NACOA) to replace it, consisting of 18 members (which is reduced from 25 in the original act) appointed by the President for staggered 3-year terms; sets more stringent qualifications for membership by requiring that each member be an expert or otherwise knowledgeable in either oceanic matters, atmospheric matters, or both; provides for the transfer of the personnel, positions, records, and unexpended funds to the new Committee; directs the Committee to undertake a continuing review of national ocean policy (on a selective basis), coastal zone management, and the status of U.S. marine and atmospheric science and service programs and advise the Secretary of Commerce with respect to the National Oceanic and Atmospheric Administration; requires the Committee to submit a report by June 30 of each year to the President and Congress and such other reports as may from time to time be requested; gives the Secretary of Commerce 60 days (instead of 90 days) to review and comment on the annual report; directs the Secretary to provide administrative support and services to the Committee; and authorizes \$520,000 for fiscal year 1978. H.R. 3849—Public Law 95—, approved 1977. (VV)

Noise control. Authorize \$10.9 million for general technical assistance, regulatory and administrative responsibilities under section 19 of the Noise Control Act of 1972 and \$2.1 million for research and development for fiscal year 1978. S. 1511—Passed Senate May 18, 1977. (VV)

Safe Drinking Water. Amends the Safe Drinking Water Act of 1974 to extend through fiscal year 1978 the following authorizations which expire on September 30, 1977: \$17 million for technical information and training, \$20.5 million for State water supply supervision programs, \$6 million for the State underground injection control program, \$25 million for technology demonstration grants, and \$16 million for research and development activities; and requires the Administrator of the Environmental Protection Agency to make grants under section 1444(c) of the Act which authorizes funding of projects demonstrating technology for recycling waste waters for drinking purposes. S. 1528—Passed Senate May 24, 1977. (VV)

Sea Grant program. Extends through fiscal 1978 the authorization for the national sea grant program as follows: \$50 million for the basic sea grant program; \$5 million for the national program, and \$3 million for the international program. H.R. 4301—Public Law 95-58, approved June 29, 1977. (VV)

FISHERIES

Atlantic tunas. Extends for an additional 3 years, until 1980, the Atlantic Tunas Convention Act of 1975 which implemented an international convention governing fishing for tuna and tuna-like fishes in the Atlantic Ocean and authorizes therefor such sums as necessary; and redefines the term "fishery zone" to mean the 200-mile fishery zone described in Public Law 94-265. H.R. 6205—Public Law 95-33, approved May 26, 1977. (VV)

Commercial fisheries. Extends the Commercial Fisheries Research and Development Act for 2 years, through fiscal 1980, and increases the annual authorization for fiscal year 1978 and the two subsequent years as follows: \$10 million for section 4(a) general programs (increased from \$5 million); \$3 million for section 4(b) which provides funds on an emergency basis if there is a commercial fishery disaster or serious disruption affecting future production due to a resource disaster arising from natural or undetermined causes (increased from \$1.5 million); and \$500,000 for the section 4(c) program of grants to develop new commercial fisheries (increased from \$100,000). H.R. 6206—Public Law 95-53, approved June 22, 1977. (VV)

Fishermen's Protection Reimbursement program. Extends the provisions of the Fishermen's Protective Act of 1967 which expires October 1, 1977, to October 1, 1979; establishes a Federal Government loan program whereby the Secretary of Commerce may make a loan after October 1, 1977, to the owner or operator of any U.S. vessel to replace or repair vessels or gear lost, damaged, or destroyed by any foreign vessel; conditions loans upon assignment to the Secretary of all rights of recovery and directs the Secretary with the assistance of the Attorney General, to take appropriate actions to collect on any right assigned to him; cancels repayment of a loan if it is determined that the owner or operator was not at fault; and provides that loans may be granted for any damage which occurred after October 1, 1976. S. 1184—Passed Senate May 24, 1977. (VV)

Fishery Conservation Zone transition. Gives Congressional approval of the fishery agreements between the United States and the People's Republic of Bulgaria, the Socialist Republic of Romania, the Republic of China, the German Democratic Republic, the Union of Soviet Socialist Republics, and the Polish People's Republic; provides that these agreements will enter into force on the date of enactment of this joint resolution; waives the 60-day Congressional review period; limits to 7 days the 45 day period for review and comment on application permits required of the Regional Fishery Management Councils created under the Fishery Conservation Zone Act during 1977 for those applications received by the Council on or before the date of enactment and those received by the Council from the Secretary of State after the date of enactment to provide for an orderly transition from the 12 mile to 200 mile fishing limit; waives, until May 1, 1977, the requirement that foreign fishing vessels have a valid permit on board and permits the Secretary to waive the fee required before fishing permits may be issued if he is satisfied that the foreign nation will pay the fee before May 1, 1977; and repeals, effective March 1, 1977, the Northwest Atlantic Fisheries Act of 1950. H.J. Res. 240—Public Law 95-6, approved February 21, 1977. (VV)

Gives Congressional approval of the fishery agreements between the United States and Spain, Japan, South Korea, and the countries of the European Economic Community (Iceland, France, Italy, Luxembourg, the United Kingdom, Denmark, Belgium, West Germany, and the Netherlands); contains essentially the same provisions as H.J. Res. 240 (Public Law 95-240) to provide for an

orderly implementation of foreign fishing within the 200-mile fishery zone of the United States after March 1, 1977, including the 7-day period of comment by the Fishery Management Councils and the public with respect to applications for permits, the May 1 extension of time for the payment of fees and permit requirements, and waives the 60-day Congressional review period. H.R. 3753—Public Law 95-8, approved March 3, 1977. (VV)

GENERAL GOVERNMENT

Age Discrimination report—nutrition programs for elderly. Amends the Age Discrimination Act of 1975 to extend for 6 months, until November 1977, the time in which the U.S. Commission on Civil Rights must submit its report on unreasonable discrimination based on age in programs and activities receiving Federal financial assistance; authorizes the Commission for a 90-day period following transmittal of its report to provide technical assistance and information to Government officials; and

Amends the Older Americans Act to extend the surplus commodities provision of the title VIII nutrition program for the elderly through fiscal year 1978 in order that it will coincide with the authorization period of the other programs of the act; and gives States the option to receive cash in lieu of such commodities. H.R. 6668—Public Law 95- , approved 1977. (VV)

Civil Rights Commission authorization. Raises the authorization limitation for the Civil Rights Commission from the present annual maximum of \$9,540,000 to \$10,420,023 for fiscal year 1978 plus such additional amounts as may be necessary for salary increases and other employee benefits authorized by law. H.R. 5645—Passed House May 23, 1977; Passed Senate amended June 13, 1977; Senate requested conference June 13, 1977. (VV)

Federal assistance program information. Increases the availability of information about Federal domestic assistance programs by requiring the Director of the Office of Management and Budget (OMB) to: (1) establish and maintain a data base containing specified information on all Federal domestic assistance programs; (2) develop and maintain a computerized information system to provide for the widespread availability of information contained in the data base by computer terminal facilities; and (3) publish annually a catalog of Federal domestic assistance programs containing information from the data base, a detailed index and any other information deemed appropriate; authorizes therefor \$1.2 million for the first year; \$1.7 million the second year and \$2.2 million the third year;

Amends section 201 of the Intergovernmental Cooperation Act of 1968 to give OMB the responsibility to insure that information is provided to the States through their Governors or designated information centers on Federal financial assistance; requires the Director to report his recommendations to Congress for improving, consolidating and further developing Federal financial information systems; and requires the General Accounting Office to submit a report to Congress 1 year after enactment on actions taken by OMB to implement this act and, within 2 years of enactment, a progress report including an evaluation of its effectiveness and any legislative recommendations. S. 904—Passed Senate May 17, 1977. (VV)

Federal Home Loan Bank Board members. Amends the Federal Home Loan Bank Board Act, as amended, to permit a board member, whose term expires, to continue to serve on the board for an additional 30 days or until his successor is appointed, whichever occurs first. S.J. Res. 63—Public Law 95-56, approved June 29, 1977. (VV)

GAO Audits of IRS and ATF. Amends the General Accounting and Auditing Act of 1950 to provide that the General Accounting Office may conduct management and financial audits of the Internal Revenue Service and the Bureau of Alcohol, Tobacco, and Firearms; contains provisions to insure the confidentiality of information including Congressional oversight and penalties for unauthorized disclosure; and requires the Comptroller General to submit to the Senate Finance and Governmental Affairs Committees, the House Ways and Means and Government Operations Committees, and the Joint Committee on Taxation, every six months, the names and titles of GAO employees having access to tax returns and information; to submit as frequently as possible results of the audit; and to submit annually a report of his findings and recommendations which must also include the procedures established for protecting the confidentiality of tax return information and the scope and subject matter of the audit. S. 213—Passed Senate March 11, 1977. (VV)

Intelligence activities authorization. Authorizes such amounts as specified in a classified report prepared by the Senate Select Committee on Intelligence for fiscal year 1978 for intelligence activities of the United States Government including specific amounts for activities of the Central Intelligence Agency, the Defense Intelligence Agency, the Office of the Secretary of Defense, the National Security Agency, the military service, the Department of State, the Department of the Treasury, the Energy Research and Development Administration, the Federal Bureau of Investigation, and the Drug Enforcement Administration; authorizes \$8.95 million for the Intelligence Community Staff for fiscal 1978 which supports the Director of the C.I.A. in fulfilling his responsibilities for overall management and direction of the intelligence community and the Policy Review Committee of the National Security Council; sets at 170 the end-strength of full time employees for the Intelligence Community staff; and authorizes \$35.1 million for the Central Intelligence Agency Retirement and Disability System for fiscal 1978. S. 1539—Passed Senate June 22, 1977. (VV)

Kennedy Center authorization. Authorizes \$4.7 million for the John F. Kennedy Center for the Performing Arts, to remain available until expended, for the Secretary of the Interior, acting through the National Park Service, to correct leaks in the roof, terraces, kitchen, and East Plaza Drive and the damage which has resulted from these leaks; gives the Center approval authority over contracts let by Interior Department; and authorizes \$4 million for fiscal year 1978. S. 521—Public Law 95-50, approved June 20, 1977. (VV)

Kennedy Presidential Library. Authorizes the Administrator of General Services to accept land, buildings, and equipment that have been or may be offered to the United States without reimbursement, for the purpose of maintaining, operating and protecting as part of the National Archives system a Presidential archival depository located next to the University of Massachusetts campus on Columbia Point in Boston in memory of John Fitzgerald Kennedy. H.J. Res. 424—Public Law 95-34, approved May 26, 1977. (VV)

Library services and construction. Extends through October 1, 1982, and revises the Library Services and Construction Act; retains current use and allocation of funds but adds a provision to direct one-half of the funds after the appropriation level of \$60 million is reached (current funding level is \$56.9 million) to urban resource libraries, which are defined as public libraries in incorporated areas with populations exceeding 100,000; provides that any State that does not have an incorporated area with at least

100,000 persons will nevertheless be considered to have at least one urban resource library; adds a new title to the Act which provides special aid to and study of urban libraries; authorizes funds for projects to make libraries more energy efficient; and contains other provisions. S. 602—Passed Senate May 20, 1977; Passed House amended June 2, 1977; In conference. (VV)

National Science Foundation authorization. Authorizes \$894.0 million for fiscal year 1978 and \$1,051.4 million for fiscal year 1979 to the National Science Foundation and an additional \$6 million for fiscal 1978 and \$8 million for fiscal 1979 in foreign currencies which the Treasury Department determines to be in excess to the normal requirements of the U.S.; specifies amounts to be spent for programs to support minorities, women and handicapped persons in scientific fields, graduate fellowships, continuing education for scientists and engineers, "Science for Citizens" and "Public Understanding of Science" programs which are designed to improve public understanding of public policy issues involving science and technology, and a study to assess the science education in two-year colleges; and contains other provisions. H.R. 4991—Passed House March 24, 1977; Passed Senate amended May 5, 1977; In conference. (VV)

Presidential reorganization authority. Extends for three years from the date of enactment, the authority of the President under chapter 9, title 5, U.S.C., to submit reorganization plans to Congress proposing the reorganization of agencies in the executive branch; expresses Congressional intent that the President provide appropriate means for public involvement in reorganization; requires that the President, on a continuing basis, examine the organization of all agencies of the executive branch and determine what changes are necessary to accomplish the purpose of the statute;

Provides that reorganization plans may: create new agencies, transfer or consolidate the whole or part of agencies or their functions to other agencies, abolish all or part of the functions of an agency except any enforcement function or statutory program, change the name of an agency, authorize an agency official to delegate any of his functions, and provide that the head of an agency be an individual, commission or board with a fixed term not to exceed 4 years;

Requires that each plan be based upon a Presidential finding stated in a message to Congress that the proposed action is necessary to accomplish one or more of the purposes of the statute; requires that the message specify, with respect to each plan, the reduction of or increase in expenditures likely to result from the plan, as well as any improvements in the effectiveness or efficiency of the government anticipated as a result of the plan;

Prohibits the use of reorganization authority to: create a new executive department, abolish an executive department or an independent regulatory agency, abolish any function mandated by Congress through statutes, increase the term of an office beyond that provided by law, create new functions not authorized by pre-existing statutes, or continue a function beyond the period authorized by law;

Requires the President to submit each plan, which must deal with only one logically consistent subject matter, to both Houses of Congress simultaneously for referral to the Senate Governmental Affairs Committee and the House Government Operations Committee; requires the Chairman of the respective committee to introduce a disapproval resolution whenever a reorganization plan is submitted to assure that there will be a resolution for the Committee to act on and to report either favorably or unfavorably a disapproval resolution for each

proposed plan; provides that plans shall become law at the end of 60 calendar days of continuous session of the Congress or if specified, at a later date, unless either House passes a resolution of disapproval; requires the committees in both Houses to file recommendations on each plan with the full House within 45 days and provides, if the committee has not done so, the resolution will automatically be discharged from further consideration and placed on the calendar; specifies that no more than three reorganization plans may be pending in the Congress at any one time;

Allows the President to (1) amend a plan within the first 30 days after submission if neither committee has ordered reported a disapproval resolution or made any other recommendations on the plan, or (2) withdraw a plan at any time prior to the conclusion of the 60 day period;

Provides that any member may move to proceed to consider a disapproval resolution once it has been reported or discharged; limits to 10 hours floor debate on a disapproval resolution and on appeals and motions made in connection therewith, and makes motions to postpone consideration or amend the resolution out of order;

Provides that suits brought against an agency affected by a reorganization plan, or regulations or other actions taken by an agency under a function affected by the plan shall not abate as a result of the plan, except in the case where the function is abolished; specifies that plans may provide for the transfer or other disposition of affected records, property, and personnel, and for the transfer of unexpended appropriations if the funds will be used for their original purpose; and requires that unexpended funds revert to the U.S. Treasury. S. 626—Public Law 95-17, approved April 6, 1977. (40)

Privacy Protection Study Commission Extension. Extends the life of the Privacy Protection Study Commission from July 10, 1977, to September 30, 1977, to provide additional time for the printing of a set of appendix volumes for its final report. S. 1443—Public Law 95-38, approved June 1, 1977. (VV)

Smithsonian Institution—Canal Zone Biological Area. Increases from \$350,000 to \$750,000 the annual authorization for the Canal Zone Biological Area (the Barro Colorado Island Facility of the Tropical Research Institute of the Smithsonian Institution). S. 1031—Passed Senate May 2, 1977. (VV)

GOVERNMENT EMPLOYEES—FEDERAL OFFICIALS

Ethics in Government. Establishes a mechanism for the appointment of a temporary special prosecutor to deal with (a) matters concerning the President, Vice President, Members of Congress, and other high-level officials, and (b) matters which may directly and substantially affect the partisan political or personal interests of the President, the Attorney General, or the President's party and in which there exists a conflict of interest within the Justice Department; contains a general provision requiring any officer or employee of Justice to disqualify himself from cases in which he could have a conflict of interest; creates an Office of Government Crimes within the Justice Department to deal with abuses of office committed by government officials, violations of Federal lobbying, elections, and conflicts-of-interest laws, and other matters; provides that the director of this Office shall be appointed by the President and confirmed by the Senate;

Provides that an individual who has played a leading partisan role in the election of a President cannot be appointed Attorney General or Deputy Attorney General; sets forth procedures to be followed by the Attorney General with respect to any investigation of influence peddling by the Korean Government;

Establishes an Office of Congressional Legal Counsel to represent Congress and, with the consent of Congress, protect the vital interests of Congress in matters before the courts; provides that the Congressional Legal Counsel and the Deputy Congressional Legal Counsel will be appointed by the joint leadership and must be approved by both houses, and that neither position may be filled by persons who have been Congressional members, candidates, employees or persons who have served in Congressional campaigns within the preceding three years;

Requires annual financial disclosure reports to be filed by the President, Vice President, Members of Congress, justices and judges of the U.S. and D.C. government, officers and employees of the executive branch at the GS-16 level or greater; officers and employees of the legislative and judicial branches compensated at a rate equal to or greater than the GS-16 pay rate; members of a uniformed service compensated at a rate equal to or greater than the grade O-7 pay rate, candidates for Federal elective office, and Presidential appointees subject to advice and consent of the Senate; specifies the required contents of such disclosure reports; creates various offices to monitor compliance with this statute; sets criminal penalties for knowing and willful falsification or omission and civil penalties for failure to file or accidental omissions;

Establishes an Office of Government Ethics within the Civil Service Commission with primary responsibility for implementing financial disclosure requirements throughout the executive branch; provides that the director of this Office shall be appointed by the President with the advice and consent of the Senate;

Revises the current statute concerning restrictions on post service activities by officials and employees of the executive branch by imposing a new restriction which prohibits, for a period of one year following termination of government service, a former top-level official from contacting his former department or agency on any matter pending before the department or agency; and makes other minor modifications to the statute. S. 555—Passed Senate June 27, 1977. (245)

Federal comparability increase. Denies the October 1 cost-of-living increase to Members of Congress, the Supreme Court Justices and other members of the Judiciary, Cabinet officials, and top Executive personnel who received the March 1 quadrennial pay increase under which salaries were increased as follows: Members of Congress from \$44,600 to \$57,500; Cabinet officers from \$63,000 to \$66,000; the Vice President, Speaker, and Chief Justice from \$65,000 to \$75,000; the President Pro Tempore and Majority and Minority Leaders from \$52,000 to \$65,000; circuit court judges from \$44,600 to \$57,500; district judges from \$42,000 to \$54,500; sub-cabinet assistants from \$44,600 to \$57,500; and other top Federal personnel from \$42,000 to \$50,000. S. 964—Public Law 95- , approved 1977. (44)

Secret Service protection of former Federal officials. Authorizes the Secret Service to continue to furnish protection to certain former Federal officials (Secretaries Kissinger and Simon and Vice President Rockefeller) or members of their immediate families who received such protection immediately preceding January 20, 1977, if the President determines that they may be in significant danger, and provides that such protection shall continue for a period determined by the President but not beyond July 20, 1977, unless otherwise permitted by law. S.J. Res. 12—Public Law 95-1, approved January 19, 1977. (VV)

HEALTH

Child nutrition programs. Extends through September 30, 1980, the summer food service program for children with

changes designed to eliminate abuses and otherwise strengthen the administration of the program; extends through September 30, 1982, the authority of the Secretary of Agriculture to purchase agricultural commodities for donation to the child nutrition programs when acquisitions under other agricultural authorities are not available; requires the Secretary to establish procedures to assure that donations of agricultural commodities to the child nutrition programs are more responsive to the problems and needs of local school districts; requires the Secretary to conduct studies of the impact and the effect on the child nutrition programs of making cash payments in lieu of commodities, and of past and present patterns of sanitary practices of commodity producers under consideration for contracts for child nutrition programs; revises the special milk program to provide that in schools and institutions participating in the school lunch, breakfast, or child care feeding programs, free milk may be provided to children eligible for free school meals only at times other than the regular school lunch or school breakfast serving period; revises the school breakfast program to require that the Federal maximum reimbursement for especially needy schools be adjusted semi-annually to reflect changes in the cost of food away from home and require States to establish the standards, subject to the Secretary's approval, under which schools in severe need may receive 100 percent of their operating costs; revises the authority under which equipment funds are furnished schools to give priority to schools without a food service program and schools without the facilities to prepare and cook hot meals; revises the authority under which States are provided administrative expenses for carrying out certain child nutrition programs to require that a specific amount (based on a percentage of the State's total costs) be made available for the 1978 through 1980 fiscal years; establishes a 5-year entitlement nutrition education and information program under which grants would be made to State educational agencies for the purpose of encouraging effective dissemination of scientifically valid information about food and nutrients to children participating in the school lunch and related child nutrition programs and to adults; repeals the provision in existing law which prohibits the Secretary from banning the sale of competitive foods (such as food from vending machines) in food service facilities or areas during the time that school lunches or breakfasts are being served; and requires the Secretary to establish an Institute of Food Management and Technology to address the problems of providing adequate food programs in diverse situations. H.R. 1139—Passed House May 18, 1977; Passed Senate amended June 30, 1977; Senate requested conference June 30, 1977. (267)

Public health programs—biomedical research. Extends through fiscal year 1978, without major substantive modifications, the assistance programs under the Community Mental Retardation and Community Mental Health Centers Act and the programs under the Public Health Service Act, including biomedical research; computes the authorizations for these programs generally on a formula of the higher of the fiscal 1977 authorization or the fiscal 1977 appropriation plus 20 percent;

Establishes five supergrade positions for the National Institute on Alcohol Abuse and Alcoholism in order to attract highly qualified senior level scientific personnel; increases the number of National Cancer Institute consultants from 100 to 200; authorizes the Secretary of Health, Education and Welfare to develop minimum public health standards to

maintain preventive health care programs; directs the Secretary to arrange for studies of international health issues and opportunities and to submit a final report by January 1, 1978; authorizes an additional \$135 million to enable the Secretary to make grants for construction and modernization projects to assist public hospitals to meet life and safety codes and avoid loss of accreditation;

Amends the Health Professions Educational Assistance Act to provide for equity in student loan programs, scholarship programs, and payback provisions for medical students within the National Health Service Corps (NHSC) who had made commitments under previous legislation; assures that all physicians graduating from medical schools accredited by the Liaison Committee on Medical Education are treated equally; provides that individuals with obligated service to the NHSC may participate in residency training programs as officers in the regular or reserve corps of the Public Health Service prior to fulfilling the obligated service in an underserved area; permits an area Health Education Center to conduct training in general pediatrics as well as in family medicine and general internal medicine; allows the Secretary to repay, in return for service in a health manpower shortage area, educational loans obtained by health professions students before October 12, 1976; guarantee that students who graduated from two-year U.S. medical schools will be treated the same as U.S. students who completed 2 years at a foreign medical school when transferring to degree-granting institutions; authorizes construction assistance for the establishment or expansion of regional health professions programs; and amends the Public Health Service Act to conform certain provisions of the student loan program with those in the NHSC;

Increases to \$339,864,200 the authorization for the maternal and child health grant programs under the Social Security Act and extends through fiscal 1980 the authority for 100 percent Federal financing of medicare skilled nursing and intermediate care facility inspection and enforcement costs; extends the Committee on Mental Health and Illness of the Elderly for 1 month, until August 30, 1977, to coordinate its actions and recommendations with the Presidential Commission on Mental Health; provides that States shall not receive less than their 1976 formula grant allotments under the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act; and authorizes \$140 million for preventive family planning project grants and \$5 million for the Sudden Infant Death Syndrome Counseling and Information Services. H.R. 4975—Passed House March 31, 1977; Passed Senate amended May 4, 1977; Senate requested conference May 4, 1977. (131)

HOUSING

Housing and community development. Amends the Housing and Community Act of 1974 and authorizes a total of \$14.6 billion for housing programs through fiscal year 1980;

Community development. Authorizes \$12.4 billion for extension of the community development program through fiscal 1980; provides that not less than \$197 million be made available for low-cost housing project, and not less than \$120 million be used for housing for the elderly and handicapped; provides a dual formula method of allocation which permits communities to use either poverty or age of housing stock as the primary indicator of need, and allows cities with at least 50,000 population and urban counties to choose a third formula which uses the proportion of housing stock built prior to 1940 as the primary indicator of need; creates the urban development action grant (UDAG) program to aid seriously distressed cities; allows multiyear funding to small cities; au-

thorizes \$60 million for the loan rehabilitation program and \$75 million for the comprehensive planning program;

Housing assistance and related programs. Provides \$1.116 billion in new contract authority for low-income housing programs and limits the amount of assistance to be used on existing rather than new housing; authorizes \$708.1 million for public housing operating subsidies; permits HUD to make assisted housing payments for new or rehabilitated housing units beyond 60 days in an FHA-insured project; provides that loans for housing and related facilities for elderly and handicapped persons assisted under section 202 be made without regard to mortgage insurance limits contained in the National Housing Act; permits interest reduction subsidies for section 235 cooperatives to increase the availability of cooperative housing projects for low-income families; authorizes \$60 million for policy development and research and \$15 million for the urban home-ownership program; allows communities which choose to not participate in the flood insurance program to continue to have access to conventional forms of financing;

Mortgage credit. Extends through fiscal year 1978 the following mortgage credit programs authorized under the National Housing Act: insurance of financial institutions, general insurance program, housing for moderate income and displaced families, home-ownership for lower income families, rental cooperative housing for lower income families, experimental financing, armed services housing, mortgage insurance for land development, and mortgage insurance for group practice facilities; extends through fiscal 1978 the authority to set FHA interest rates (Public Law 90-301) and the National Flood Insurance Act of 1968;

Increases the maximum loan amount for FHA-insured mortgages and for loans made by chartered savings and loan associations to adjust for the inflation in the costs of homes, mobile homes, and home improvements; decreases the downpayment requirements for FHA-insured loans; lowers the FHA mortgage insurance premium paid by nonprofit teaching facilities hospitals; provides for the expansion of the experimental graduated payment mortgage program; amends the Government National Mortgage Association emergency tandem plan to correct problems in the program and give it greater flexibility, particularly for use in urban areas and for housing rehabilitation;

Community reinvestment. Authorizes the Community Reinvestment Act which requires Federal financial regulatory agencies in the course of examining the institutions they regulate to assess each institution's performance in meeting the credit needs of its primary savings service area, to the extent consistent with sound business operations; provides that regulations resulting from the Act will become effective no later than 180 days after its enactment;

Rural housing. Amends the Housing Act of 1949 to extend through fiscal year 1978 the housing programs under the Farmers Home Administration (FmHA); increases by \$25 million the low rent housing for domestic farm labor and low income repair loans programs;

Modifies the guaranteed loan program of FmHA to completely separate the guaranteed loan program, both in operation and funding, from the insured (direct) loan programs; restricts the guaranteed loan program to persons with above average incomes, thereby asserting Congressional intent that FmHA use the direct loan program for low- and moderate-income persons; makes interest rates on guaranteed loans negotiable between the borrower and the lender in order to increase the program's attractiveness to private lenders;

Authorizes \$10 million in fiscal 1978 for the mutual and self-help housing program; re-

quires that at least 60 percent of FmHA loans made pursuant to section 502 (single family) and section 515 (rental) programs benefit persons of low income; requires the establishment of a research capacity within FmHA; mandates the implementation of a rural rent subsidy; and expands the definition of "rural area" to include smaller communities with standard metropolitan statistical areas which have a serious lack of mortgage credit. H.R. 6655—Passed House May 11, 1977; Passed Senate amended June 7, 1977; In conference.

Mortgage insurance. Extends for 30 days, to July 31, 1977, the authority of the Secretary of Housing and Urban Development to: insure mortgages on loans under certain HUD-FHA mortgage or loan insurance programs contained in the National Housing Act; administratively to set interest rates for FHA-insured mortgage loans; enter into new flood insurance contracts; and extend certain authorities under title V of the Housing Act of 1949 with respect to the Farmers Home Administration's rural housing program. H.J. Res. 525—Public Law 95-60, approved June 30, 1977. (VV)

Supplemental housing authorizations. Authorizes additional funds for housing assistance for lower income Americans in fiscal year 1977; extends the riot insurance and crime insurance programs; and establishes a National Commission on Neighborhoods;

Increases, in title I, the authorization for section 8 rental assistance, the major housing program for lower income Americans, by \$378 million for a total of \$1,228,050,000; increases operating subsidy funds for public housing projects by \$19.6 million to pay for this winter's unexpectedly high heating costs; extends the contract period for new, privately developed section 8 housing from 20 to 30 years in order to attract more private financing; authorizes such appropriations as may be necessary for reimbursement of the FHA general insurance fund for losses on the sale of foreclosed properties from the FHA inventory; contains a \$10 million increase for a total of \$15 million for the HUD urban homesteading program as a means of attracting additional rehabilitation funds into neighborhoods and disposing of the HUD inventory of foreclosed properties; increases from \$500 million to \$1.341 billion the ceiling for losses incurred by the Federal Housing Administration General Insurance Fund; extends HUD's authority to write crime insurance and riot reinsurance policies through September 30, 1978, and authorizes continuation of policies in force before April 30, 1978, through September 30, 1981; extends from April 30, 1978, to September 30, 1978, the date that the Secretary must submit a plan for the liquidation and termination of these programs; deletes the requirement whereby mortgages may be insured under section 220 of the National Housing Act only if the property is located in an area which has a workable program for community development; makes clear that mortgages insured under section 221(d)(4) of the Act may be executed by a mortgagor which is a public body or agency, or a cooperative, limited dividend corporation or other entity, private nonprofit corporation or association, as well as a profit motivated entity, as defined by the Secretary; and

Authorizes, in title II, \$1 million for the establishment of a National Commission on Neighborhoods to assess existing policies, laws and programs having an impact on neighborhoods and make recommendations regarding investment in city neighborhoods, community government participation, economically and socially diverse neighborhoods, rental housing, and rehabilitation of existing structures, among other issues. H.R. 3843—Public Law 95-24, approved April 30, 1977. (VV)

INDIANS

American Indian Policy Review Commission. Extends from February 18, 1977, to May 18, 1977, the period of time in which the

American Indian Policy Review Commission must submit its final report to the Congress and increases the authorization therefor from \$2.5 million to \$2.6 million. S.J. Res. 10—Public Law 95-5, approved February 17, 1977. (VV)

Cheyenne-Arapaho lands. Declares that two separate tracts of excess Government land, totaling approximately 107 acres, located in Canadian and Custer Counties, Okla., be held in trust for the Cheyenne-Arapaho Tribes of Oklahoma and authorizes the Secretary of the Interior to accept, upon request from the tribes, the fee simple title to lands conveyed to them pursuant to the acts of September 14, 1960, and May 18, 1968, to be held in trust for the tribes. S. 1291—Passed Senate June 9, 1977. (VV)

Creek Nation land. Declares that 5 acres of Federally-owned land in McIntosh County, Okla., be held in trust by the United States for the Creek Nation of Oklahoma. S. 947—Passed Senate June 9, 1977. (VV)

Ely Indian land. Declares that 90 acres of Federally-owned land located in White Pine County, Nev., be held in trust for the Ely Indian Colony in Ely, Nev. S. 103—Passed Senate June 9, 1977. (VV)

Indian Business Development program. Amends the Indian Financing Act of 1974 to extend the Indian Business Development Program for 2 years, through fiscal year 1979, at an annual authorization of \$14 million. H.R. 4992—Public Law 95- , approved 1977. (VV)

Indian claims. Extends to December 31, 1981, the statute of limitation under which the U.S., as trustee, can bring Indian claims for monetary damages which arose prior to the enactment of the original statute in 1966 on land claims by Indian tribes, bands and groups. S. 1377—Passed Senate May 27, 1977. (VV)

Extends for an additional month, until August 18, 1977, the statute of limitation under which the U.S., as trustee, can bring Indian Claims for monetary damages which arose prior to the enactment of the original statute in 1966 on land claims by Indian tribes, bands and groups. H.J. Res. 539—Public Law 95- , approved 1977. (VV)

Indian Claims Commission. Authorizes \$2,250,000 for the Indian Claims Commission for fiscal year 1978; adds a new section to facilitate the transfer of cases from the Indian Claims Commission to the U.S. Court of Claims; confers upon the Court the powers of the Commission to set fees for attorneys representing Indian tribes or claimants and to obtain information and documents from Government agencies and congressional committees; provides that final judgments of the Court shall be paid as other Court of Claims judgments are paid; provides that cases transferred to the Court shall be subject to review by the Supreme Court; provides that the law establishing a revolving loan fund for tribes to obtain expert witnesses in Commission cases shall remain applicable to transferred cases; and increases from 15 to 16 the number of Court of Claims Commissioners. H.R. 4585—Public Law 95- , approved 1977. (VV)

Indian rights to Arkansas Riverbed. Directs the Secretary of the Interior to enter into an agreement with the Cherokee, Choctaw, and Chickasaw Nations of Oklahoma for the use, lease, or purchase by the United States of their rights in the Arkansas Riverbed; directs the Secretary to utilize, as a basis for the terms of any agreement, the value of the property rights as determined by appraisals conducted by the Secretary and provides for payment of not less than the appraised value of the property rights involved; directs the Secretary to take such action as necessary to immediately carry out any agreement; and authorizes therefor \$177 million. S. 660—Passed Senate June 30, 1977. (VV)

Sioux Black Hills claim. Authorizes the

U.S. court of Claims to review, without regard to the technical of res judicata or collateral estoppel the determination of the Indian Claims Commission entered February 14, 1974, that the act of February 8, 1877, effected a taking of the Black Hills portion of the Great Sioux Reservation in violation of the fifth amendment. S. 838—Passed Senate May 3, 1977. (VV)

Te-Moak Shoshone land. Transfers 80 acres of land from the United States to the Te-Moak Bands of Western Shoshone Indians to be held in trust by the United States in order to provide a home for the Wells Indian Community, a group of the Te-Moak Band who are presently landless. S. 667—Passed Senate June 9, 1977. (VV)

Wichita tribal land claim. Authorizes the Indian Claims Commission to consider claims by the Wichita Indian Tribe and affiliated bands with respect to aboriginal title to lands which were acquired by the United States without payment of adequate compensation. S. 773—Passed Senate May 5, 1977. (VV)

Zuni lands. Directs the Secretary of the Interior to acquire through purchase, trade or otherwise the 618.41 acres in the State of New Mexico upon which the Zuni Salt Lake is located and hold such land in trust for the Zuni Indian Tribe; confers jurisdiction upon the Court of Claims to head and determine an aboriginal land claim that the Tribe failed to file with the Indian Claims Commission under the Act of August 13, 1946, which established that forum; and authorizes the Tribe to purchase and exchange lands in the States of New Mexico and Arizona notwithstanding the restrictions in the act of May 25, 1918, expressly prohibiting further expansion of Indian reservations in these States. S. 482—Passed Senate May 3, 1977. (VV)

INTERNATIONAL

ABU DAOUD. States as a sense of the Senate that the release by France of Abu Daoud, a known terrorist who is accused of having planned the murder of Olympic athletes in Munich in 1972, is harmful to the effort of the community of nations to stamp out international terrorism; further states that the United States should consult promptly with France and other friendly nations to seek ways to prevent a recurrence of a situation in which a terrorist leader is released from detention without facing criminal charges in a court of law; and directs the Secretary of the Senate to provide a copy of this resolution to the Secretary of State for transmission to the Government of France. S. Res. 48—Senate agreed to January 26, 1977. (13)

Arms Control and Disarmament Agency. Authorizes a total of \$16.6 million for the Arms Control and Disarmament Agency (ACDA) for fiscal year 1978, including \$11.05 million for program operations, \$3.55 million for external research and public affairs, and \$2 million for the purpose of furthering the nuclear safeguards and program activities of the International Atomic Energy Agency; creates a new executive level IV position, Special Representative for Negotiations, to be appointed by the President with the advice and consent of the Senate to serve as the Alternate Chairman of the U.S. SALT delegation and to take part in other negotiations; removes the requirement that all ACDA contracts and grants be with U.S. institutions and persons; allows the agency an exception from the appointment and classification provisions of the Civil Service system in order to allow the agency to compete effectively for employees with other Federal agencies; permits ACDA employees to accept reimbursement for work-related travel and expenses; states the sense of Congress that adequate verification compliance with the terms of arms control agreements should be an indispensable part of any such agreement, and requires the ACDA Director to report to Congress his determinations as to the verifiability of the components of arms control proposals, any degradation of verifi-

ability in existing arms control agreements, and the amount of agency resources expended on the verification task. H.R. 6179—Passed House May 3, 1977; Passed Senate amended June 16, 1977; In conference. (220)

Belgrade conference. States as the sense of the Congress that the U.S. delegation to the preparatory Belgrade meeting, beginning on June 15, 1977, should make every effort to insure that the agenda adopted for the subsequent meeting on the Conference on Security and Cooperation in Europe provides for proper, straightforward and serious exchange of views among the participating States on the application of the principles of the Final Act of the Helsinki Conference as well as on compliance and noncompliance with all of its provisions, including the presentation and thorough discussion of all violations of the Final Act, especially those related to universal humanitarian ideals. H. Con. Res. 249—Action completed June 15, 1977. (VV)

Harp seal killings: Urges the Canadian Government to reassess its present policy of permitting the killing of newborn harp seals in Canadian waters which is considered by many citizens of the U.S. to be cruel and, if continued at the current high level, may cause the extinction of that species of seal. H. Con. Res. 142—Action complete April 6, 1977. (VV to amend March 31, 1977. (VV)

International cooperation on nuclear proliferation. Commends the President for his stated intentions to give diplomatic priority to the pursuit of nonproliferation measures; endorses and strongly supports active consultations with world leaders on the highest level to: (1) curb the spread of nuclear enrichment and reprocessing facilities and otherwise discourage the diversion of nuclear energy from peaceful uses to nuclear weapons or other nuclear explosive devices, (2) achieve universal acceptance of international safeguards on all peaceful nuclear activities, as well as to seek international cooperation to improve the packaging and handling of high-level wastes and to provide for international storage of plutonium, spent reactor fuel, and other sensitive nuclear materials, (3) explore possible international arrangements for the provision of nuclear fuel services to help meet the legitimate energy needs of cooperating states, (4) reach agreement on sanctions to be applied against any nation which seeks to acquire a nuclear explosives option, and (5) strengthen the safeguards of the International Atomic Energy Agency; and pledges prompt Senate action on legislation to enact a clear statement of goals for U.S. nonproliferation policy providing guidance and support to these Presidential diplomatic initiatives, and to establish a clear statutory framework for the development and implementation of U.S. nuclear export policy. S. Res. 94—Senate agreed to April 28, 1977. (VV)

International development assistance—food for peace. Authorizes \$1,606,100,000 for fiscal year 1978 for bilateral development assistance, international disaster assistance programs, operating expenses for the United States Agency for International Development (AID) and voluntary U.S. contributions to international organizations;

Authorizes \$200 million for the initial U.S. contribution to the Sahel Development Program which combines the resources of more than 10 donors and 8 recipient countries in a long term development effort in the Sahel region of Africa; continues the New Directions aid policies initiated by the Congress in 1973 which require that U.S. assistance be channeled directly to aid the poor people in developing countries; extends the Housing Investment Guaranty Program through fiscal year 1979 and provides for an increase of \$100 million in the guaranty authority and a merger of the separate Latin American and worldwide guaranty authorities; provides

\$35 million to continue U.S. assistance for the relief, rehabilitation, and reconstruction assistance for victims of the Italian earthquake; improves U.S. population planning programs by providing for their integration with U.S. health and other development assistance programs; bars the use of funds for (1) assistance to or reparations for Vietnam, Cambodia, or Laos, and (2) involuntary sterilizations; establishes an International Energy Institute;

Includes a separate title to strengthen the economic development and trade expansion aspects of the Food for Peace program (Public Law 480) and to clarify the humanitarian intent of the program; repeals the present exclusion from title I sales program of those countries or exporters which trade with Cuba or North Vietnam; removes the restriction on title I sales to the United Arab Republic; changes the title I sales allocation formula by requiring that 25 percent of the food aid commodities provided in each fiscal year be allocated to countries other than those with a per capita gross national product of \$520 instead of \$300 or less and by allowing the Secretary of Agriculture to re-allocate some portion of title I financing if he certifies to Congress that the quantity of commodities that would be required to be allocated could not be used effectively to carry out humanitarian purposes; permits the Secretary to finance projects to aid in the utilization, distribution, and storage of U.S. agricultural commodities; increases the annual minimum of agricultural commodities to be shipped under title II of Public Law 480 from 1.3 to 1.5 million metric tons; requires that 1.3 instead of 1 million metric tons of this amount be distributed through the U.S. voluntary agencies and the world food program; creates a new food for development program; expands and refines the "grantback" authority provided in 1975; permits the President to waive the repayment of title I obligations under a carefully developed plan for utilization of the proceeds raised by the recipient government from the sale of title I commodities upon its own market; and makes various other improvements. H.R. 6714—Passed House May 12, 1977; Passed Senate amended June 15, 1977; In conference. (207)

International financial institutions. Provides a total of \$5.125 billion in multiyear authorizations to allow continued participation at increased rates by the United States in six international financial institutions which includes \$1.57 billion for the World Bank to be spread over three years; provides \$2.4 billion for the International Development Association to be spread over three years; \$112 million for the International Finance Corporation to be spread over three years; 814 million for the Asian Development Fund to be spread over three years; and a \$50 million one-year authorization for the African Development Fund;

Instructs U.S. representatives to all international financial institutions to use their voice and vote to channel aid to countries that are not violating human rights, and to vote against any funds to Vietnam, Laos, or Cambodia; contains language to clarify that all funds to international financial institutions, including multiyear authorizations and pledges for callable capital, are subject to the annual appropriations process; and directs U.S. officials to try to maintain salaries in these institutions at levels near to comparable positions in the United States. H.R. 5262—Passed House April 6, 1977; Passed Senate amended June 14, 1977; In conference. (203)

International security assistance—Arms Export control. Authorizes a total of \$3,172,700,000 (\$140 million below the Administration's request) in 1978 budget authority for eight programs to finance international security programs totalling \$4,579,100,000;

Military programs: Provides \$230 million to the military assistance program for military aid to Greece (\$33 million), Portugal (\$25 million), Spain (\$15 million), Turkey (\$48 million), the Philippines (\$20 million), Jordan (\$55 million), Indonesia (\$15 million), and Thailand (\$8 million); continues the phasedown of the military assistance advisory group program by reducing the number of groups from 34 to 17 and establishing a worldwide personnel ceiling of 900; provides \$30 million for the international military education and training program; provides \$678.5 million to finance foreign military sales credits to 29 countries, with direct credits of \$500 million to Israel and \$20 million to Zaire, and with all loans to other countries to be financed through the Federal Financing Bank; states that a policy restraint in U.S. arms transfers shall not impair Israel's deterrent strength or undermine the military balance in the Middle East;

Economic programs: Authorizes \$1.875 billion for the security assistance program to provide economic assistance for 15 countries and recommends that such programs be subject to the "new directions" criteria of the Foreign Assistance Act which requires that aid be channeled directly to aid the poor people in developing countries; authorizes a balance of payments support loan to Portugal not to exceed \$300 million to assist in stabilizing the Portugal economy; provides \$37.2 million to continue the Middle East special requirement fund;

Narcotics control and contingency funds: Provides \$37 million for international narcotics control, with at least \$12.5 million earmarked for programs in Mexico; provides \$5 million for the President's Contingency Fund to give the Administration some flexibility in dealing with national security;

Other provisions: Prohibits military assistance, training, and credits to Ethiopia and Argentina and all assistance to Mozambique, Angola, Tanzania, and Zambia unless the President determines that such aid is in the national interest; exempts Australia, Japan, and New Zealand from the license requirement contained in the Arms Export Control Act for the export of major defense equipment; includes a statement of Congressional intent to authorize \$100 million for a Zimbabwe Development Fund when progress toward an internationally recognized settlement will so permit; prohibits funds to promote any military or paramilitary operations in Zaire; prohibits economic assistance to any supplier or recipient of nuclear technology or equipment unless both agreed to place the transferred equipment under multilateral auspices when available, and that the recipient agreed to place all nuclear activities under international safeguards; authorizes such sums as may be necessary in fiscal year 1978 to carry out international agreements relating to defense cooperation with Greece and Turkey, and raises to \$175 million the FMS credits and sales ceiling for Turkey contained in the Foreign Assistance Act; and authorizes additions to stockpiles of defense articles in foreign countries of \$270 million, with the entire amount earmarked for War Reserve Stocks of ammunition for Korea, a bookkeeping shift requiring no appropriation. H.R. 6884—Passed House May 24, 1977; Passed Senate amended June 15, 1977; In conference. (209)

National Academy of Peace and Conflict. Establishes a 1 year Commission to study proposals for establishing the National Academy of Peace and Conflict consisting of 9 members, three each appointed by the President pro tempore of the Senate, the Speaker of the House, and the President, to conduct a study to consider whether to establish a National Academy of Peace and Conflict Resolution; the size, cost and location of the Academy; the effects the establishment of the Academy would have on existing institutions of higher education;

the relationship which would exist between the Academy and the Federal Government; the feasibility of making grants and providing other forms of assistance to existing institutions of higher education in lieu of, or in addition to, establishing the Academy; and alternative proposals, which may or may not include the establishment of the Academy, to assist the Federal Government in accomplishing the goal of promoting peace; and authorizes therefor \$500,000. S. 469—Passed Senate June 17, 1977. (VV)

Peace Corps authorization. Authorizes \$84.8 million to finance the operation of the Peace Corps for fiscal year 1978 and \$ million for increases in salary, retirement, or other employee benefits authorized by law. S. 1235—Passed Senate May 26, 1977; Passed House amended June 1, 1977. (VV)

Portugal military assistance. Modifies the existing statutory limitations on the allocation of military assistance funds for fiscal year 1977 contained in section 504(a)(1) of the Foreign Assistance Act of 1961, as amended, to add Portugal to the list of eligible countries and specify that \$32.25 million be allocated to that country to upgrade its armed forces which were debilitated as a result of prolonged colonial wars in Africa. S. 489—Public Law 95-23, approved April 30, 1977. (VV)

Rhodesian chrome. Amends the United Nations Participation Act of 1945 to halt the importation of Rhodesian chrome by nullifying the effect of Section 203 (the so-called Byrd amendment) of the Armed Forces Appropriations Act of 1972, Public Law 92-156, which permitted the importation into the United States of chromium and other strategic minerals from Rhodesia, despite mandatory U.N. sanctions against trade with that country which the United States supported by its vote in the United Nations Security Council and by Executive Order 11419; prohibits the importation into the United States of Rhodesian commodities and products as specified in that Executive Order, of July 29, 1968, as well as steel mill products containing Rhodesian chromium in any form; establishes an enforcement mechanism which requires a certificate of origin for these products confirming that they do not contain chromium from Rhodesia; and authorizes the President to suspend the act if he determines that it would encourage meaningful negotiations and further the peaceful transfer of government from minority to majority rule in Rhodesia. H.R. 1746—Public Law 95-12, approved March 18, 1977. (59)

Romanian earthquake. States as a sense of the Senate that the United States should join with other nations and international, public, and private organizations to assist the people of Romania following the 1977 earthquake; and expresses deepest sympathy to the victims and their families on behalf of the people of the United States. S. Con. Res. 12—Action complete March 17, 1977. (VV)

Romanian earthquake authorization. Authorizes \$20 million to the President for fiscal year 1977, to remain available until expended, for the relief and rehabilitation of refugees and other earthquake victims in Romania; requires the President to transmit a report to the Foreign Relations Committees of the Senate and House 60 days after enactment and quarterly thereafter on the obligation of authorized funds; and states that nothing in this act shall be interpreted as endorsing any measure undertaken by the Government of Romania which would suppress human rights as defined in the Conference on Security and Co-operation in Europe (Helsinki Declaration) Final Act and the United Nations Declaration on Human Rights or as constituting a precedent for or commitment to provide development assistance to Romania and requires that the Romanian Government be so notified. H.R. 5717—Public Law 95-21, approved April 18, 1977. (VV)

Soviet detention of Robert Toth. States as the sense of the Senate that the U.S. should continue to press the Soviet Government for a complete accounting of the circumstances which precipitated the detention of Robert C. Toth, a Los Angeles Times staff member, and that appropriate means should be taken to obtain the safe return of Mr. Toth to the United States. S. Res. 194—Senate agreed to June 15, 1977. (VV)

Soviet expulsion of George A. Kriminsky. States as the sense of the Senate that: (1) the Soviet expulsion of Associated Press reporter George A. Kriminsky is contrary to the spirit of the Helsinki Declaration respecting the rights of journalists; (2) the decision serves only to obstruct the implementation of the free flow of information provisions contained in the Declaration; (3) the action only invites and justifies steps of a reciprocal nature by the U.S. Government; and (4) the U.S. and Soviet Governments should seek greater communication in this area to prevent similar events of a counterproductive nature from occurring in the future; and directs the Secretary of the Senate to transmit a copy of this resolution to the President for the Department of State to convey directly to General Secretary Leonid Brezhnev of the Central Committee of the Soviet Communist Party. S. Res. 81—Senate agreed to March 4, 1977. (VV)

Soviet freedom of emigration. Conveys to the Soviet Government the sustained interest of the American people regarding Soviet adherence to the Helsinki Declaration, including their pledge to facilitate freer movement of people, expedite the reunification of families, and uphold the general freedom to leave one's country. S. Con. Res. 7—Action complete March 22, 1977. (39)

State Department authorization. Authorizes \$1,676,884,000 for fiscal year 1978 for the operations of the State Department (including the Office of Foreign Buildings), the U.S. Information Agency (USIA), and the Board for International Broadcasting (which makes grants to Radio Free Europe/Radio Liberty);

Facilitates compliance by the United States with the Helsinki Agreement by requiring that the Secretary of State recommend the necessary waiver for any prospective visitor to the United States who could be subject to the denial of a visa solely for reason of political affiliation with the exception of the right of continued denial of entry to any person whom the Secretary judges to be a threat to U.S. security; strengthens the ability of the Board for International Broadcasting to oversee and set broad policy direction for Radio Free Europe/Radio Liberty, Inc.;

States the sense of the Congress that negotiations toward the normalization of relations with Cuba be conducted in a deliberate manner and on a reciprocal basis; that the vital concerns of the United States with respect to the basic rights and interests of U.S. citizens whose persons or property are the subject of negotiations be protected; and that Cuban policies and actions regarding the use of military and paramilitary personnel beyond its borders and the Cuban government's disrespect for human rights are among elements which must be taken into account during negotiations;

Requires Congressional committees to budget for the travel of their members and employees; provides a statutory base for U.S. participation in a new United States-European Community Interparliamentary Group; strengthens the Foreign Gifts and Decorations Act of 1966 by clarifying existing ambiguities as to who is covered by establishing certain reporting and publication requirements and by increasing penalties for non-compliance; removes the statutory impediment to the establishment of formal diplomatic relations with the Vatican; prohibits

the President from making a commitment to provide any reparations or aid to Vietnam. H.R. 6689—Passed House May 4, 1977; Passed Senate amended June 16, 1977; In conference. (219)

State Department supplemental authorization. Provides a supplemental authorization of \$89.5 million for the Department of State for fiscal year 1977 as follows: (1) \$60 million to pay U.S. dues and assessments to UNESCO for 1975 and 1976, in arrears because of Congressional action suspending further payments until the President certified that UNESCO's policies were in line with its objectives and less political, and part of the 1977 assessment, (2) \$11,325,000 for aid to Soviet and East European refugees not settling in Israel and \$7.4 million for the Indochinese Refugee Program administered by the United Nations High Commissioner for Refugees to continue U.S. support of 80,000 refugees in Thailand who arrived from Vietnam, Cambodia and Laos in 1975, and (3) \$10,775,000 to provide for the construction of 108 apartment units for the U.S. mission in Cairo—36 for the State Department and 72 for AID; authorizes the Secretary to use appropriated funds to provide emergency medical attention, dietary supplements, and other assistance to U.S. citizens incarcerated abroad; requires that the Chairman or Vice-Chairman of the Senate and House delegations to the four interparliamentary union groups (Canada-U.S., Mexico-U.S., North Atlantic Assembly, and Interparliamentary Union) be a member of their respective foreign affairs committee; increases from 18 to 24 the size of the delegation to the North Atlantic Assembly and specifies that no more than 7 of the 12-member Senate delegation be of the same political party; and amends Public Law 94-203 (known as the Case Act which requires the Secretary of State to transmit the text of any international agreement other than a treaty to Congress within 60 days after the agreement has entered into force with respect to the United States) to require any department or agency entering into an international agreement on behalf of the United States to transmit the text of the agreement to the Department of State within 20 days following the date on which the agreement was signed. H.R. 5040—Public Law 95-45, approved June 15, 1977. (VV)

Uganda—human rights. Expresses the sense of the Senate that the actions of the current regime in Uganda violating the human rights of its citizens and residents deserve condemnation by the world community and by the Organization of African Unity; urges all nations supplying lethal arms to Uganda to halt all deliveries of weapons; and urges the U.S. Ambassador to the United Nations to request that the situation in Uganda be investigated by an appropriate agency in the United Nations. S. Res. 175—Senate agreed to May 25, 1977. (VV)

Vietnam POW's and MIA's. Directs the President, as Commander in Chief of the Armed Forces, to require an accounting of all military personnel presently categorized on personnel rosters of the various branches of the U.S. Armed Forces as prisoner of war, missing in action, or killed in action in southeast Asia; directs the President, by executive order, to require the Secretary of State to pursue enforcement of the Paris agreement of January 27, 1973; states that the Congress, having passed Public Law 88-406 authorizing the deployment of U.S. Armed Forces for the maintenance of international peace and security in Southeast Asia, recognize a corresponding duty and obligation to determine the fate of missing or unaccounted for Americans; requires that the President, through the Secretary of State, hold the Democratic Republic of Vietnam and the Provisional Revolutionary Government of the Republic of South Vietnam responsible to account for an provide informa-

tion not otherwise available to satisfactorily dispose of the POW/MIA problem in accordance with the Paris agreement or seek alternatives that might resolve the question; and requires responsible officeholders in the executive and legislative branches to address the authority of their office toward a satisfactory resolution of the problem, make a public accounting, and remove any question as to the integrity of their function. S. Con. Res. 2—Senate agreed to February 21, 1977. (VV)

States as a sense of the Congress that the honor of those Americans who upheld the dignity of the law and served in the U.S. Armed Forces should be reaffirmed and that the Government should do everything possible to address the problems of those who served during the Vietnam war; and urges that there be established, in view of the recent issuance of a general pardon for U.S. draft evaders of the Vietnam war era, a Presidential Task Force on Missing in Action and Prisoners of War to propose courses of action to achieve the fullest possible accounting for all Americans listed in a missing status in Southeast Asia, including the return of remains, and to make recommendations concerning Federal policies relating to POW's and MIA's. S. Con. Res. 3—Senate agreed to February 21, 1977. (VV)

LABOR

Federal mine safety and health. Strengthens the national mine safety and health program by providing uniform administration and enforcement for the entire mining industry under a single act administered by the Department of Labor;

Repeals the Metal and Non-Metallic Mine Safety Act of 1966; amends the Federal Mine Safety and Health Act of 1969 (the Coal Act) to make its enforcement and administrative provisions applicable to the entire coal and non-coal mining industry; transfers the responsibility for the administration and enforcement of the mine safety and health program from the Department of the Interior to the Department of Labor;

Provides a streamlined mechanism for the promulgation of mandatory safety and health standards by imposing time limitations on each step of the standard-making process; vests all standard-making authority in the Secretary of Labor who may use Advisory Committees for the development of standards; provides for public comment and hearings on standard proposals and for judicial review of promulgated standards; contains provision for improved health standards;

Requires at least four inspections each year for all underground mines in their entirety, at least two inspections a year for all surface mines in their entirety, and at least one spot inspection every 5 working days for particularly hazardous mines; permits operators and miners or representatives to accompany inspectors; permits miners to request inspections in writing if they suspect a hazardous situation; requires an inspector to issue a citation to the mine operator of any violation of the health and safety standards with a time period within which the violation must be fully abated; authorizes the inspector to issue an order closing all or a portion of a mine affected by certain violations and if a pattern of violations exists; establishes a 5-member Mine Safety and Health Review Commission as the ultimate administrative review body for disputed cases of citations, penalties or closures; and provides a variety of civil and criminal penalties. S. 717—Passed Senate June 1, 1977. (231)

MEMORIALS, TRIBUTES, AND MEDALS

Alex Haley. Honors and pays tribute to Alex Haley for his exceptional achievement in writing *Roots* and extends to him the

highest praise of the Senate. S. Res. 112—Senate agreed to March 14, 1977. (VV)

Charles A. Lindbergh. Honors Charles A. Lindbergh for his service to our country in peace and war, and expresses appreciation for his leadership and advocacy in the conservation of natural resources and for his daring and courageous contributions to the field of aviation and aeronautical science. S. Res. 177—Senate agreed to May 19, 1977. (VV)

Cora Rubin Lane 100th birthday. Expresses the gratitude and appreciation of the Senate to Cora Rubin Lane for her long and outstanding service as an assistant to Senator William E. Borah and expresses best wishes to her on the occasion of her 100th birthday. S. Res. 162—Senate agreed to May 3, 1977. (VV)

Francis R. Valeo. Commends Francis R. Valeo for his long, faithful and exemplary service as an employee of the Senate and his ten years of service as Secretary of the Senate. S. Res. 133—Senate agreed to April 1, 1977. (VV)

General Draza Mihailovich Monument. Authorizes the Secretary of the Interior to permit the National Committee of American Airmen Rescued by General Draza Mihailovich to construct and maintain a monument to General Mihailovich on Federal land in the District of Columbia in recognition of the role he played in saving the lives of approximately 500 United States airmen in Yugoslavia during World War II; and provides that the location and design of the monument shall be subject to the approval of the National Capital Planning Commission, the Fine Arts Commission, and the Secretary of the Interior. S. 244—Passed Senate June 29, 1977. (VV)

Gerald R. Ford Building. Names the Federal building located at 110 Michigan Avenue, N.W., in Grand Rapids, Mich., the "Gerald R. Ford Building." S. 385—Public Law 95-25, approved May 4, 1977. (VV)

Henry Ford. Marks the occasion of the 75th anniversary of the first mass-produced motor vehicle by the elder Henry Ford as an appropriate time to recognize his unique industrial statesmanship. S. Res. 215—Senate agreed to June 29, 1977. (VV)

Jaycees International Conference. Commends the "Old Sourdough Jaycees" of Anchorage, Alaska, the U.S. Jaycees, and the Jaycee International for bringing together Jaycee leaders around the world who have contributed to the betterment of mankind. S. Res. 137—Senate agreed to April 6, 1977. (VV)

Mike Monroney Aeronautical Center. Designates the Federal Aviation Administration Aeronautical Center in Oklahoma City, Oklahoma, as the "Mike Monroney Aeronautical Center." S. 1640—Passed Senate June 8, 1977. (VV)

Motion Picture Academy 50th anniversary. Congratulates the Academy of Motion Picture Arts and Sciences for its past achievements on the occasion of its 50th anniversary on May 11 and extends best wishes for the future. S. Res. 168—Senate agreed to May 11, 1977. (VV)

Nez Perce War commemoration. States as the sense of the Senate that June 17, 1977, is to be a day for the commemoration of the Nez Perce War of 1877 and for the remembrance of the courage and honor of the Nez Perce during the long tortuous maneuvers of 1877. S. Res. 196—Senate agreed to June 16, 1977. (VV)

Philip A. Hart, death of. Expresses the sorrow of the Senate over the death of Senator Philip A. Hart, of Michigan. S. Res. 15—Senate agreed to January 4, 1977. (VV)

President and Mrs. Ford. Congratulates and commends President and Mrs. Ford on their exemplary conduct as President and first lady and for their dedicated public service to the Nation during their entire

career of public service. S. Res. 22—Senate agreed to January 10, 1977. (VV)

President Ford. Commends President Ford for the manner and integrity with which he carried out his responsibilities and wishes him Godspeed in his new and active life. S. Res. 38—Senate agreed to January 18, 1977. (VV)

President-elect Carter. Extends best wishes to President-elect Jimmy Carter and to all those who will serve in his administration. S. Res. 23—Senate agreed to January 10, 1977. (VV)

Rosalynn Carter. Congratulates the President on his selection of Rosalynn Carter as his recent emissary to Latin America and commends her on her performance as a representative of the people of the United States. S. Res. 195—Senate agreed to June 16, 1977. (VV)

St. Patrick's Parish anniversary. Commemorates the people of St. Patrick's Parish, in Pottsville, Pennsylvania, who this year are celebrating the 150th anniversary of the founding of the parish. S. Res. 116—Senate agreed to March 17, 1977. (VV)

Vice President Rockefeller. Commends Vice President Rockefeller for the manner and integrity with which he carried out his responsibilities and wishes him Godspeed in his new and active life. S. Res. 37—Senate agreed to January 18, 1977. (VV)

William O. Douglas. Dedicates the canal and towpath of the Chesapeake and Ohio Canal National Historical Park to Justice William O. Douglas; directs the Secretary of the Interior to provide the necessary identification to inform the public of the contributions of Justice Douglas and to erect and maintain within the exterior boundaries of the Park an appropriate memorial; and authorizes such sums as necessary to carry out the act. S. 776—Public Law 95-11, approved March 15, 1977. (VV)

NATURAL RESOURCES—NATIONAL HISTORIC SITES

Bull Run Reserve. Authorizes the Secretary of Agriculture to permit, under the provisions of the Multiple Use-Sustained Yield Act of 1930, general recreational access and geothermal explorations for six months within a 42,500 acre area of the Bull Run Reserve, Mount Hood National Forest, Oregon. H.R. 7606—Public Law 95-55, approved June 25, 1977.

Eleanor Roosevelt National Historic Site. Authorizes the Secretary of the Interior to establish 175 acres, including the Val-Kill estate in Hyde Park, New York, as the Eleanor Roosevelt National Historic Site to commemorate the life of Eleanor Roosevelt as well as provide a location for the conduct of studies and seminars relating to the issues with which she was concerned. H.R. 5562—Public Law 95-32, approved May 26, 1977. (VV)

Land and Water Conservation Fund. Amends the Land and Water Conservation Fund Act of 1965 to establish a special account for use in acquiring the backlog of lands previously authorized for inclusion in the national park system and certain similar Federal areas; increases the authorized level of the fund from \$600 million to \$900 million in fiscal year 1978 and from \$750 million to \$900 million in fiscal 1979 with the additional \$450 million to be credited to the special account and to remain available until appropriated; provides that prior acquisition ceiling limitations on authorized areas may be exceeded in any one fiscal year by up to \$1 million or 10 percent of the statutory limitation, whichever is greater; permits pre-acquisition work such as title searches, mapping, and other preliminary work which does not interfere with the rights of private landowners if Congressional authorization appears to be imminent; authorizes the Forest Service to use Land and Water Conservation Fund moneys to purchase land in the Big

Thompson Canyon at pre-flood value; and gives the Secretary the authority to (1) make minor boundary adjustments in units of the national park system with such authority to expire 10 years from the date of enactment of the authorizing legislation establishing the boundaries, and (2) accept adjacent lands outside park boundaries by donation. H.R. 5306—Public Law 95-42, approved June 10, 1977. (VV)

Public Works on Rivers and Harbors—Waterways Users Fee. Authorizes the construction, repair, and preservation of certain public works of the Corps of Engineers on rivers and harbors for navigation and flood control; includes authorization (either construction or Phase I engineering) for 15 projects developed by the Corps of Engineers, modifications to previously authorized projects, and general legislative items; increases monetary authorizations for eleven river basins which will cover anticipated funding requirements for fiscal year 1978;

Authorizes the reconstruction of Locks and Dam 26 on the Mississippi River at Alton, Illinois, by replacing it with a new dam and a single 1,200 foot lock with contingencies for a second lock, at an estimated cost of \$421 million;

Establishes, for the first time in our history, a system of user charges to be paid by the commercial cargo vessels that use the 25,000 miles of Federally built and maintained inland waterways; and provides that the regulations developed by the Secretary of Transportation shall take effect unless Congress disapproves by joint resolution. H.R. 5885—Passed House May 17, 1977; Passed Senate amended June 22, 1977; Senate requested conference June 24, 1977. (235)

Reclamation Projects. Authorizes \$31,050,000 for fiscal year 1978 for continuing construction of the distribution system and drains of the San Luis Unit, Central Valley project, California; and provides for the establishment of a task force to review the management, organization and operation of the Unit and to report to Congress by January 1, 1978, the results of an examination of certain specified issues. H.R. 4390—Public Law 95-48, approved June 15, 1977. (VV)

River Basins. Authorizes \$3,905,000 for fiscal year 1978 to carry out the comprehensive river basin planning program of the U.S. Water Resources Council in those areas and river basins where river basin commissions have not been created, and to finance work on national water assessments. H.R. 6752—Public Law 95-41, approved June 6, 1977. (VV)

Water Resources Development—Saline Water Conversion. Repeals the Water Resources Act of 1964 (Public Law 88-379), as amended, and replaces it with similar but stronger and more comprehensive language for carrying out water resources research and technology through a competent institute, center, or equivalent agency at a college or university in each State; continues maintenance of the State water institutes, which were established under the old Act, and support of nonacademic water resource centers; and authorizes therefor for each of fiscal years 1978 through 1982 \$27 million for grants to water research institutes and \$1 million to carry out the Scientific Information Center operation, administrative support, and technology transfer, and for each of fiscal years 1978 and 1979, \$10 million for matching grants for water research institutes and \$10 million for grants to other outside organizations; and

Repeals the now expired Saline Water Conversion Act of 1971 and replaces it with a similar but stronger program for saline water conversion; specifies broader work in the development of saline aquifers in regions

where they are critically needed for irrigation and energy production; directs the Secretary to recommend to Congress by December 31, 1979, a ten-year plan for desalination technology transfer; and authorizes therefor \$35 million for each of fiscal years 1978 and 1979 of which \$10 million is to be used for brackish ground water demonstration projects. H.R. 4746—Passed House May 17, 1977; Passed Senate amended May 25, 1977; In conference. (VV)

WILDERNESS AREAS STUDIES

Montana Wilderness. Directs the Secretary of Agriculture to study 9 areas of land totaling approximately 973,000 acres located within the following National Forests in Montana to determine their suitability for designation as wilderness under the provisions of the Wilderness Act of 1964: Beaverbrook National Forest—West Pioneer Wilderness and Taylor-Hilgard Wilderness; Bitterroot National Forest—Bluejoint Wilderness and Sapphire Wilderness; Kootenai National Forest—Ten Lakes Wilderness and Mt. Henry Wilderness; Lewis and Clark National Forest—Middle Ford Judith Wilderness and Big Snowies Wilderness; and Gallatin National Forest—Hyalite-Porcupine-Buffalo Horn Wilderness; requires the Secretary to complete the studies and report his findings to the President within 5 years of enactment who is to submit his recommendations with respect thereto to the Congress within 7 years of enactment; and directs the Secretary to administer the areas so as not to diminish their presently existing wilderness character and potential until Congress determines otherwise. S. 393—Passed Senate May 18, 1977.

Wildlife Refuges. Extends through fiscal year 1980 the authorization for the acquisition and development of the San Francisco Bay National Wildlife Refuge in California (consisting of approximately 21,000 acres), the Tincin National Environmental Center in Pennsylvania (consisting of approximately 1,200 acres), and the Great Dismal Swamp National Wildlife Refuge in Virginia (consisting of approximately 107,360 acres). H.R. 5493—Passed House May 16, 1977; Passed Senate amended May 24, 1977. (VV)

NOMINATIONS

(Action by Rollcall Vote)

Griffin B. Bell, of Georgia, to be Attorney General. Nomination confirmed January 25, 1977. (10)

Joseph A. Califano, Jr., of the District of Columbia, to be Secretary of Health, Education, and Welfare. Nomination confirmed January 24, 1977. (7)

Peter F. Flaherty, of Pennsylvania, to be Deputy Attorney General. Nomination confirmed April 5, 1977. (99)

Ray Marshall, of Texas, to be Secretary of Labor. Nomination confirmed January 26, 1977. (12)

Andrew J. Young, of Georgia, to be U.S. Representative to the United Nations. Nomination confirmed January 26, 1977. (14)

Paul C. Warnke, of the District of Columbia, for rank of Ambassador for SALT negotiations and to be Director of the Arms Control and Disarmament Agency. Nominations confirmed March 9, 1977. (41 and 42)

PROCLAMATIONS

American Business Day. Designates May 13 of each year as "American Business Day". S.J. Res. 40—Passed Senate April 27, 1977. (VV)

Grandparents Day. Designates the first Sunday of September of each year as "Grandparents Day". S.J. Res. 24—Passed Senate May 16, 1977. (VV)

School Volunteers. Requests the President to issue a proclamation recognizing the contributions made by the thousands of Americans who are voluntarily working to improve

the quality of education in the United States. S.J. Res. 62—Passed Senate June 13, 1977. (VV)

SENATE

Commission on the Operation of the Senate. Extends for an additional 30 days, until April 1, 1977, the Commission on the Operation of the Senate. S. Res. 93—Senate agreed to February 24, 1977. (VV)

Committee Reorganization. Amends the Standing Rules of the Senate to reorder and rationalize the jurisdictions of Senate committees, effective February 11, 1977, among 15 standing committees and 6 other special, select or joint committees; abolishes the Aeronautical and Space Sciences Committee and transfers its jurisdiction to a newly created Committee on Commerce, Science, and Transportation; abolishes the District of Columbia Committee and the Committee on Post Office and Civil Service and transfers their jurisdictions to a newly created Committee on Governmental Affairs; transfers the jurisdiction of the former Interior Committee to an Energy and Natural Resources Committee; transfers the jurisdiction of the former Public Works Committee into a new Environment and Public Works Committee; transfers the jurisdiction of the former Labor and Public Welfare Committee to a new Human Resources Committee; continues the existence of the Special Committee on Aging with membership reduced to 9 in the next Congress; continues the existence of the Select Committee on Nutrition and Human Needs until December 31, 1977, after which its jurisdiction will be transferred to the Committee on Agriculture, Nutrition and Forestry; establishes a temporary Select Committee on Indian Affairs to consider all legislation relating to Indians for the duration of the 95th Congress after which its jurisdiction will be transferred to the Human Resources Committee;

Limits the number of committee and subcommittee memberships a Senator can hold generally to two major or class "A" committees and one class "B" committee and eight subcommittees thereof; prohibits committees from establishing subunits other than subcommittees; permits the Majority and Minority Leaders to temporarily increase the sizes of committees to ensure majority party control; allows Senators to serve on joint committees where such service is required to be from members of a committee on which such Senator serves; prohibits Rules Committee members from serving on any joint committee unless the Senate members of such committees are required by law to be from the Rules Committee; exempts members of the Budget Committee during the 94th Congress from certain assignment limitations during the 95th Congress; continues grandfather rights for Senators who are serving on three standing committees as a result of an exemption in the Legislative Reorganization Act of 1970 to continue to do so during the 95th Congress; allows the chairmen and ranking minority members of the Post Office and Civil Service Committee and the District of Columbia Committee to serve on the Governmental Affairs Committee and two other committees of the same class, as long as their service on Governmental Affairs remains continuous; prohibits a Senator from serving as Chairman of more than one standing, select, special, or joint committee unless the jurisdiction is directly related to that of the standing committee he chairs; prohibits Senators from serving as chairman of more than one subcommittee of each standing, select, special or joint committee; limits members to two class A committee chairmanships and one class B committee or subcommittee chairmanship, effective at the beginning of the 96th Congress; requires that not later than July 1, 1977, the appropriate standing committees shall report legislation terminating the statutory author-

ity of the Joint Committees on Atomic Energy, on Congressional Operations and on Defense Production; requires that the appropriate standing committees report recommendations not later than July 1, 1977, with respect to the Joint Committees on the Library and on Printing; allows Senators to serve on joint committees considered for termination pending final disposition of the issue;

Provides for sequential and joint referral of bills that cross jurisdictional lines based on motions by the Majority and Minority Leaders, instead of by unanimous consent; provides for a computerized schedule of committee meetings by the Rules Committee; permits committees to meet without special leave until the conclusion of the first 2 hours of a meeting of the Senate or 2:00 p.m., except for the Appropriations and Budget Committees which may meet at any time without special consent; requires that morning meetings of committees and subcommittees be scheduled for one or both of two periods, one ending at 11:00 a.m. and a second beginning at 11:00 a.m. and ending at 2:00 p.m.; provides for continuous review of the committee system by the Rules Committee in consultation with the Majority and Minority Leaders; prohibits consideration of committee amendments to bills when the amendments are not in the jurisdiction of the committee proposing them; requires committee reports to contain an evaluation of the regulatory impact which would be incurred by individuals and businesses in carrying out the provisions of the bill; provides for the transition of staff from abolished or realigned committees to the new committees and provides for salary and tenure of committee staff during a transition period; provides that committee staff reflect the relative numbers of majority and minority members and that one-third of the committee staffing funds be allocated to the minority members for compensation of minority staff; provides that such adjustment be made over a four-year period beginning July 1, 1977, with not less than one-half being made in 2 years; provides for funding of increases in the expenditures of new committees resulting from this resolution; incorporates provisions of S. Res. 60 of the 94th Congress relating to individuals appointed by Senators to assist them with committee work; provides for the referral of measures according to the realigned jurisdictions; and provides that legal references to old committees are to be construed as referring to their successors. S. Res. 4—Senate agreed to February 4, 1977. (36)

Deputy President pro tempore. Establishes, effective January 5, 1977, the Office of Deputy President Pro Tempore which shall be held by any Senator who is a former President or Vice President of the United States; authorizes the President Pro Tempore and the Deputy President Pro Tempore each to appoint an administrative assistant, a legislative assistant and an executive secretary; authorizes the Sergeant at Arms to provide and maintain an automobile for use by the Deputy President Pro Tempore and to employ a driver-messenger; and authorizes the Secretaries of the Conferences of the Majority and Minority each to appoint two staff assistants in each office. S. Res. 17—Senate agreed to January 10, 1977. (VV)

Names Hubert H. Humphrey of Minnesota Deputy President Pro Tempore of the Senate, effective January 5, 1977. S. Res. 27—Senate agreed to January 11, 1977. (VV)

Political fund raising. Amends paragraph 1 of rule XLIX of the Standing Rules of the Senate to permit those two assistants of a Senator designated to solicit campaign funds to also receive, be the custodian of, or distribute such funds. S. Res. 188—Senate agreed to June 13, 1977. (VV)

Senate Ethics Code. Amends the Standing Rules of the Senate to create a Code of Official Conduct; amends Senate Resolution 338, the original resolution establishing the Select Committee on Ethics, to provide for additional procedures for enforcing the new Code as well as other laws and rules of the Senate; and directs other Senate committees to study certain matters related to this resolution;

Public Financial Disclosure. Requires Senators, candidates for the Senate, officers and employees of the Senate earning in excess of \$25,000 per year to file a report listing their earned income and the sources and categories of value of their income, other than earned income, and all other interests, assets, and holdings held for the purposes of investment or income production;

Gifts. Prohibits knowingly accepting a gift or gifts having an aggregate value of over \$100 during a year from any individual or organization defined as having a "direct interest in legislation";

Outside Earned Income. Limits outside earned income of a Senator, officer or employee earning over \$35,000 to 15 percent of the person's salary; limits each honorarium to \$1,000 for Senators and to \$300 for officers and employees; allows Senators or staff to accept honoraria up to \$25,000 if immediately donated to a tax-exempt charity;

Conflict of Interest. Bars the use of one's official position to introduce or aid the progress of legislation the principal purpose of which furthers one's own financial interest; allows Members or staff who earn over \$25,000 to provide professional services for compensation if not affiliated with a firm or association and if their work is not carried out during regular Senate office hours; directs committee employees earning over \$25,000 to divest themselves of any holdings which may be directly affected by the actions of the Committee for which they work unless permitted by their supervisor and the Ethics Committee; prohibits Senators from lobbying the Senate for one year after leaving the Senate; applies a similar prohibition to employees lobbying the Committee or office for which they worked;

Unofficial Office Accounts. Abolishes unofficial office accounts, those accounts defined as not including personal funds of a member, official funds, political funds and reimbursements;

Foreign Travel. Prohibits "lame duck" travel by a defeated or retiring member; prohibits receipt of counterpart funds where there has been reimbursement from another source; restricts per diem allowance to food, lodging and related expenses and places the responsibility on the person receiving the per diem to return any unused funds;

Franking Privilege—Radio-TV Studio—Senate Computer. Prohibits mass mailings and the use of the radio-TV studios within 60 days of an election; requires the use of official funds to purchase paper, to print, and prepare mass mailings under the frank; requires a Senator to register mass mailings annually for public inspection; prohibits the use of the Senate computer to store names identified as campaign workers;

Political Activity by Officers and Employees. Restates the present ban on staff soliciting or receiving campaign contributions; allows a Senator to name one assistant each in his Washington and State office to receive and handle campaign funds;

Discriminatory Employment Practices. Prohibits discrimination on the basis of race, color, religion, sex, national origin, or state of physical handicap in employment practices in the Senate;

Enforcement. Sets forth procedures for the Select Committee on Ethics in investigating complaints of violation of the Code and enforcing its provisions;

Further Studies. Requires the Appropriations Committee to report within 120 days regarding an adjustment of official allowances; requires the Finance Committee to report within 120 days on the tax status of funds raised and expended to defray ordinary and necessary expenses of Members; directs the Rules Committee (1) to report within 120 days on the desirability of promulgating rules providing for (a) periodic audits by GAO of all committee and office accounts; (b) a centralized recordkeeping system of accounts, allowances, expenditures and travel expenses of all committees and offices; (c) suggested accounting procedures for committee and office accounts; and (d) public disclosure and availability of information on the accounts of all committees and offices in a form which segregates the allowances and expenses of each committee and office; (2) to report within 120 days on the desirability of requiring that only official Senate funds may be used to pay for any expenses incurred by a Senator in the use of the radio-TV studios; and (3) to study laws relating to contributions made by officers or employees as well as on proposals to prohibit the misuse of official staff in election campaigns and report thereon within 180 days; requires the Governmental Affairs Committee to report (1) within 180 days regarding employee discrimination complaints and the desirability of establishing rules requiring "blind trusts" by members, officers and employees of Senate and (2) within 120 days regarding the use of simplified form of address for franked mail; directs the Foreign Relations Committee to report in 90 days on the problem of travel, lodging and other related expenses provided members and staff paid for by foreign governments where it is not possible to procure transportation, lodging or other related services or to reimburse the foreign government for those purposes. S. Res. 110—Senate agreed to April 1, 1977. (94)

Special Committee on Official Conduct. Establishes a temporary Special Committee on Official Conduct composed of fifteen members appointed by the President pro tempore of the Senate (eight appointed upon the recommendation of the majority leader and seven upon the recommendation of the minority leader, with the chairman designated by the majority leader and the vice chairman by the minority members) to conduct a complete study of all matters relating to standards of conduct of Members, officers and employees of the Senate in the performance of their official duties including standards for: (1) annual public disclosure of income, assets, debts, gifts, and other financial items; (2) restrictions on, or the elimination of, outside income from honoraria, legal fees, gifts and other sources of financial or in-kind remuneration; (3) conflicts of interest arising out of investments in securities, commodities, real estate, or other sources; (4) office accounts, and excess campaign contributions; (5) Senate travel; and (6) engaging in business, professional activities, employment, or other remunerative activities, so as to avoid any conflict with the conscientious performance of official duties; requires the Committee to submit a report of its findings by March 1, 1977, together with a resolution setting forth, by way of proposed amendments to the Standing Rules of the Senate, a Code of Official Conduct for Members, officers, and employees of the Senate;

Provides that on March 1, 1977, after the conclusion of routine morning business, the resolution shall become the pending business of the Senate under a 50 hour time limitation with a 2 hour time limitation on amendments thereto and 1 hour on amendments in

the second degree, debatable motions or appeals; provides that amendments not germane to the bill will not be received; states that motions to limit debate are not debatable and that motions to table or recommit are out of order;

Authorizes the Committee to utilize the facilities and services of the staff of any other committee and provides that expenses of the Committee shall be paid from the contingent fund of the Senate. S. Res. 36—Senate agreed to January 18, 1977. NOTE: (On March 3, 1977, the Senate, by unanimous consent, extended until midnight, March 7, 1977, the time for the Committee to file its report and provided that the leadership may call the resolution up on March 8, 1977, or any time thereafter.) (VV)

Teamsters' Pension Fund. Authorizes the Committee on Human Resources to inspect and receive any tax return, return information, or other tax related matter held by the Secretary of Treasury with respect to the Teamsters' Central States Southeast and Southwest Area Pension Fund, and any related matter which the committee demonstrates, to the satisfaction of the Secretary, contains or may contain information directly relating to its study and oversight proceedings. S. Res. 139—Senate agreed to April 22, 1977. (VV)

TAXATION

Sick Pay Exclusion. Delays for one year, to taxable years beginning after December 31, 1976, the changes made by the Tax Reform Act of 1976 with regard to the exclusion of "sick pay" from income; makes a similar delay of the effective date of the provisions regarding the tax treatment of income earned abroad by U.S. citizens; modifies the withholding requirement enacted in the 1976 Tax Reform Act on proceeds of wagers placed in parimutuel pools with respect to horse races, dog races, and Jai Alai requiring a 20 percent withholding tax on winnings of \$1,000 or more only if the odds are 300 to one or more; extends for one year the provisions of the Internal Revenue Code to allow State legislators to treat their place of residence within their legislative districts as their tax home for purposes of computing the deduction for living expenses; and waives the interest and penalties with regard to certain errors regarding underpayments of estimated tax and withholding that might be made in the tax returns for 1976. H.R. 1828—Passed House April 4, 1977; Passed Senate amended April 6, 1977; House agreed to Senate amendments with amendment which omitted the provisions regarding the treatment of income earned abroad by U.S. citizens April 6, 1977; Senate requested conference April 19, 1977. (100) (Note: Provisions included in Tax Reduction and Simplification which became Public Law 95-)

Tax Reduction and Simplification. Amends the Internal Revenue Code of 1954 to extend the individual and business income tax reductions enacted in 1975 and to provide tax simplification as follows:

Standard Deduction and Tax Simplification. Permanently changes the standard deduction to \$2,200 for single returns and heads of households and \$3,200 for joint returns; revises the tax tables to simplify tax computation for 96 percent of all taxpayers by building into the tax tables the personal exemption, the general tax credit, and the standard deduction;

Individual and Corporate Tax Reductions. Extends through 1978 the general tax credit of \$35 per person or 2 percent of the first \$9,000 of taxable income, whichever is larger; extends the earned income credit equal to 10 percent of the first \$4,000 of earned income which is phased out as income rises from \$4,000 to \$8,000;

Extends through 1978 the corporate tax cuts, enacted in 1975 and subsequently ex-

tended, which reduced the tax rate on the initial \$25,000 of corporate taxable income from 22 percent to 20 percent and reduced the rate on the next \$25,000 from 48 to 22 percent;

Filing Requirements and Withholding Changes. Increases the income level at which a tax return must be filed from \$2,450 to \$2,950 for a single person and a head of household and from \$3,600 to \$4,700 for a joint return; requires modification of the withholding rates to reflect the changed standard deduction;

New Jobs Credit. Provides a new jobs tax credit for 1977 and 1978 equal to 50 percent of the increase in each employer's wage base under the Federal Unemployment Tax Act (FUTA) above 102 percent of that wage base in the previous year; reduces the employer's deduction for wages by the amount of the credit, thereby reducing the maximum gross credit for each new employee from \$2,100 to \$1,806; limits the credit to no more than: (1) 50 percent of the increase in total wages paid by the employer for the year above 105 percent of total wages in the previous year; (2) 25 percent of the current year's FUTA wages; (3) \$100,000 per employer; and (4) the taxpayer's tax liability with provision of carrying back credit for 3 years and carrying forward credit for 7 years; provides an additional 10 percent nonincremental credit for hiring the handicapped, including handicapped veterans, who have received vocational training;

Postponement of Changes in 1976 Act. Postpones for one year the effective date of revisions made by the Tax Reform Act of 1976 in the tax treatment of sick pay and income earned abroad; relieves individual taxpayers for periods prior to April 16, 1977, and corporations for period prior to March 16, 1977, from additions to tax and interest arising from changes in the tax law made applicable to 1976 by the 1976 Act; relieves employers from penalties for under withholding in 1976 on remuneration which became taxable prior to January 1, 1976, as a result of the 1976 Act; lifts the exclusive use of the test in the 1976 Act for business deductions for the use of the home for day care services for children, handicapped individuals and the elderly and limits such deductible expense; extends for 1976 the election to treat a State legislator's place of residence within the legislative district he represents as his tax home for purposes of determining deductions for travel and expenses;

Minimum Tax on Intangible Drilling Costs. Provides for taxable years beginning in 1977 that intangible drilling costs incurred in oil and gas production operations are to be subject to the minimum tax to the extent that these expenses exceed oil and gas production income;

Charitable Contributions of Conservation Easements. Extends through June 13, 1981 the period during which deductions are allowable for charitable contributions of remainder interests in real property exclusively for conservation purposes as well as the period during which deductions are allowable for charitable contributions exclusively for conservation purposes of easements with respect to real property, if the easement is perpetual;

Work Incentive (WIN) Program. Authorizes an additional \$435 million in each of fiscal years 1978 and 1979 for employment and supportive services for welfare recipients with no requirement for State matching funds;

Child Care Facilities Amortization. Extends through 1981 the 5-year amortization provision for expenditures relating to child care facilities for children of the taxpayer's employees;

Retirement Income Credit Election. Allows taxpayers over age 65 to choose between the retirement income credit as it existed before

the 1976 Act and as revised by it for 1976 taxes only;

Accrual Accounting for Farm Operations. Postpones until 1978 the effective date for requiring accrual accounting by any farm corporation if either (a) two families own at least 65 percent of the stock, or (b) three families own at least 50 percent of the stock and substantially all of the remaining stock is owned by employees or their families;

Gambling Withholding. Modifies the 1976 requirement for withholding on gambling winnings to provide that withholding is required on proceeds of more than \$1,000 from bets placed in parimutuel pools involving horses, dogs or jai alai but only if the amount of the proceeds is at least 300 times as large as the amount wagered;

Extension of Countercyclical Revenue Sharing. Extends for 6 quarters, or until national unemployment drops below 6 percent, the current countercyclical revenue sharing legislation which expires September 30, 1977 to help State and local governments maintain services; authorizes up to \$1 billion in additional funding for fiscal year 1977 for a total of \$2.25 billion; authorizes up to \$2.25 billion for FY 1978; requires that the most recent data be used in the allocation formula and that the national amount be determined on the basis of tenths of the unemployment percentage in excess of 6 percent rather than on half percentage points; provides that each tenth of a percentage point will generate \$30 million for allocation in addition to the basic \$125 million; extends the program to Guam, American Samoa, Puerto Rico and the Virgin Islands;

Other Provisions. Amends the Social Security Act to clarify the law which provides for the garnishment of Federal payment for purposes of child support and alimony; and contains other provisions. H.R. 3477—Public Law 95-30, approved May 23, 1977. (128)

TRANSPORTATION

Air Transportation Subsidy. Amends the Federal Aviation Act of 1958 to provide explicit statutory authority for the payment of "flow-through" subsidy pursuant to an experimental local air service program administered by the Civil Aeronautics Board (CAB) in cooperation with Frontier Airlines, during the period August 1, 1973, through July 31, 1975. H.R. 6010—Passed House May 17, 1977; Passed Senate amended May 27, 1977; House agreed to Senate amendment with an amendment June 8, 1977. (VV)

Aircraft Registration. Amends the Federal Aviation Act of 1958 to permit citizens of foreign countries lawfully admitted for permanent residence in the U.S. and corporations lawfully organized and doing business under U.S. or State laws to register aircraft in the United States provided that (1) the aircraft is based or primarily used in the U.S. thus enabling the Secretary of Transportation to condition registration on reasonable inspection by FAA personnel and (2) as at present, the aircraft is not registered under the laws of any foreign country. H.R. 735—Passed House February 22, 1977; Passed Senate amended May 11, 1977 (VV)

Interim Regulatory Reform. Provides for interim regulatory reform for the following independent regulatory agencies which are subject to the jurisdiction and oversight responsibility of the Committee on Commerce, Science and Transportation: Interstate Commerce Commission (ICC), Federal Trade Commission (FTC), Federal Power Commission (FPC), Federal Communications Commission (FCC), Civil Aeronautics Board (CAB), Federal Maritime Commission (FMC), and Consumer Product Safety Commission (CPSC); directs each agency to prepare and submit to Congress a proposed modernization, revision, and codification of

all statutes and other lawful authorities administered or applied by it; and

Makes it a Federal crime to kill or forcibly assault, resist, oppose, impede, intimidate, or interfere with a U.S. judge, U.S. attorney, F.B.I. agent, or any other specified Federal official or employee while that person is engaged in, or on account of, the performance of official duties. S. 263—Passed Senate June 10, 1977. (VV)

INTERIM REGULATORY REFORM

Federal Communications Commission. Amends the Communications Act of 1934 to provide for regulatory reform with respect to the Federal Communications Commission; requires the Commission to review and recodify systematically all of the rules and regulations which it has promulgated and which are still in effect and to submit to Congress within 480 days of enactment a proposed recodification designed to (a) eliminate unnecessary, redundant, overlapping, or conflicting provisions or requirements, (b) provide timely considerations of petitions, (c) provide Congressional access to information, (d) provide representation in civil actions, (e) avoid conflicts of interest, (f) provide for appointment of the chairman by the President with the advice and consent of the Senate, and (g) provide Congressional oversight through the process of an authorization of appropriations not to exceed 4 years; provides for public comment on the proposed recodification and requires the agency to submit a final proposal within 660 days which will go into effect in 180 days unless modified by Congress; applies the conflict of interest provisions to personnel GS-16 or higher; retains the independence of the regulatory agency by not subjecting supergrade positions to OMB clearance; requires that nominees be persons who by reason of training, education or experience are qualified to carry out the function of the Commission; waives the mandatory retirement provisions giving Congress the authority to decide whether a Commissioner should continue to serve over the age of 70 at the time of his confirmation; and authorizes therefor \$70 million for fiscal 1978, \$74 million for fiscal 1979, \$80 million for fiscal 1980, and \$82 million for fiscal 1981. S. 1536—Passed Senate June 28, 1977. (VV)

Federal Maritime Commission Provides for regulatory reform with respect to the Federal Maritime Commission; contains the same provisions with respect to a proposed recodification of all rules and regulations promulgated by the Commission and still in effect as contained in S. 1536; and authorizes \$9.424 million for fiscal 1978, \$9.7 million for fiscal 1979, \$10 million for fiscal 1980 and \$10.4 million for fiscal 1981. S. 1532—Passed Senate June 28, 1977. (VV)

Federal Power Commission. Amends the Federal Power Act to provide for regulatory reform with respect to the Federal Power Commission; contains the same provisions with respect to a proposed recodification of all rules and regulations promulgated by the Commission and still in effect as contained in S. 1536; and authorizes therefor \$44,549,000 for fiscal 1978, \$46,410,000 for fiscal 1979, \$48,373,000 for fiscal 1980, and \$50,444,000 for fiscal 1981. S. 1535—Passed Senate June 28, 1977. (VV)

Interstate Commerce Commission. Amends the Interstate Commerce Act to provide for regulatory reform of the ICC; requires the Commission to review and recodify systematically all of the rules and regulations which it has promulgated and which are still in effect and to submit to Congress within 480 days of enactment a proposed recodification designed to (a) eliminate unnecessary, redundant, overlapping, or conflicting provisions or requirements, (b) provide timely considerations of petitions, (c) provide Congressional access to information, (d) provide representation in civil actions, (e) avoid con-

licts of interest, (f) provide for appointment of the chairman by the President with the advice and consent of the Senate, and (g) provide Congressional oversight through the process of an authorization of appropriations not to exceed 4 years; provides for public comment on the proposed recodification and requires the agency to submit a final proposal within 660 days which will go into effect in 180 days unless modified by Congress; authorizes therefor \$71,216,000 for fiscal 1978, \$80,474,000 for fiscal 1979, \$90,935,000 for fiscal 1980 and \$102,755,000 for fiscal 1981. S. 1534—Passed Senate May 20, 1977. (VV)

Maritime Authorization. Authorizes \$552,974,000 for programs of the Maritime Administration for fiscal year 1978 as follows: \$135,000,000 for acquisition, construction, or reconstruction of vessels and construction-differential subsidies, \$372,109,000 for payment of ship operating differential subsidies, \$20,725,000 for research and development, \$5,137,000 for the reserve fleet, \$14,633,000 for maritime training at the Merchant Marine Academy at Kings Point, N.Y., and \$5,370,000 for financial assistance to the State marine schools which includes an increased annual student subsidy from \$600 to \$1200; authorizes additional supplemental amounts to cover increases in salary, pay, retirement, or other employee benefits authorized by law and for certain expenses of the Merchant Marine Academy at Kings Point; and authorizes an additional Assistant Secretary of Commerce to be the principal adviser to the Secretary for Congressional relations. S. 1019—Passed Senate May 24, 1977. (VV)

Rail Reorganization—Office of Rail Public Counsel. Amends the Regional Rail Reorganization Act of 1973 to authorize an additional \$15 million for fiscal year 1978 to the United States Railway Association to cover litigation and other anticipated expenses involving the reorganization of the Northeast railroads, and amends the Interstate Commerce Act to authorize an additional \$2 million for the Office of Rail Public Counsel which is the statutory successor to the Office of Public Counsel of the Interstate Commerce Commission. H.R. 4049—Passed House May 3, 1977; Passed Senate amended May 23, 1977. (VV)

Tanker Safety. Amends the Ports and Waterways Safety Act of 1972 to: establish more stringent construction, design, equipment, repair, manning, maintenance, and operation standards for all tankers, regardless of flag, entering U.S. ports; provides clear authority for the Secretary of Transportation to bar substandard vessels from operating in U.S. waters; authorizes the creation of a Marine Safety Information System to identify substandard vessels and disclose the true ownership of ships; authorizes the establishment of regulations for controlling lightering (vessel-to-vessel transfer of cargo) in U.S. waters and on the high seas where a U.S.-bound vessel is involved; mandates that all self-propelled vessels of 20,000-deadweight tons or larger carrying oil in bulk be equipped by no later than June 30, 1979, with a dual radar system, a collision avoidance system, a long-range navigation aid, adequate communications equipment, a fathometer, a gyrocompass, and up-to-date charts; mandates that such vessels also be equipped, by no later than June 30, 1983, with a segregated ballast system, a gas inerting system, a transponder or other appropriate position-fixing equipment, and a double bottom if the vessel is contracted for, or construction is actually commenced, after January 1, 1978; creates an expanded inspection and enforcement program; authorizes the promulgation of improved manning and qualification standards; specifies more stringent requirements for obtaining a Federal pilot's license; and provides for study and evaluation of shore-station monitoring systems of vessels as defined in the

Fishery Conservation and Management Act of 1976. S. 682—Passed Senate May 26, 1977. (VV)

Urban Mass Transportation. Authorizes the use of the \$500 million capital grant program under the National Mass Transportation Act of 1974 for operating as well as capital assistance costs of public mass transportation service in urbanized areas (areas with less than 50,000 population); authorizes the Secretary to make operating subsidy grants to areas other than urbanized areas; revises the method of financing the capital grant program, extends it to 1982, and adds \$5.318 billion to the remaining contract authority of \$3.332 billion for a total of \$8.65 billion; incorporates into statute the procedures for funding major capital grants by authorizing the Secretary to announce approval of a multi-year project and an intent to obligate funds from budget authority to be made available in future years; sets aside \$400 million annually from the capital grant program for obligation for equipment replacement programs; authorizes \$125 million to restore the fiscal 1980 authorization for the formula grant program to its original level; expands the basic formula grant program by creating a supplemental source of funds for high impact areas with a total of \$295 million available from (a) authorization of \$50 million for each of fiscal years 1978 through 1980 and (b) estimated \$145 million in "recycled authority"; creates a new second tier formula program financed by new authorized funds and the reappointment of unobligated funds; permits the Secretary to develop a new formula for additional funds taking into account the needs of major urban areas; removes certain restrictive provisions for eligibility in the grant program providing fellowships for training of personnel employed in managerial, technical, and professional positions in the urban mass transportation field; expands the definition of "construction" in the capital grant program to include preliminary engineering of mass transportation capital projects; requires the Secretary to convert the two outstanding loans under the mass transit loan program which is no longer in existence into capital grants; requires the Secretary to provide by February 1, 1980, a detailed estimate of major capital grants to be made in fiscal years 1980-84 and by February 1, 1982, a similar estimate for fiscal years 1982-86; extends from March 15, 1978, to March 15, 1980, the 50 percent emergency operating assistance for commuter rail services affected by the reorganization of the Northeastern Railroads and expands the assistance in the authorization; requires assurance that service will be continued for the last 12 months of the 50 percent period; and adds a new section providing \$20 million in fiscal 1978 to cover up to 50 percent of the operating deficits of rail commuter services not eligible for the 50 percent Federal subsidy. S. 208—Passed Senate June 23, 1977. (VV)

VETERANS

Veterans' Care in State Homes. Amends title 38, U.S.C., to consolidate the construction grant-assistance programs under section 644 (for State home domiciliary and hospital facilities) and under subchapter III of chapter 81 (for State home nursing care facilities) and create new statutory authority for grants for the construction of new domiciliary facilities and the expansion of domiciliary and hospital facilities, and for initial equipment in both categories; increases to \$15 million the annual authorization for fiscal years 1978 and 1979; removes the 3-fiscal-year limitation on the availability of sums appropriated for the consolidated programs, making the funds available until expended; makes the allowable nonveteran population of a grant-assisted State nursing home domiciliary, or hospital

facility 25 percent in order to make allowance for veterans' spouses, surviving spouses, and Gold Star mothers; sets at 33 1/2 percent the limit which any one State may receive in any year of the total amount appropriated for the program; includes domiciliary and hospital projects under the statutory nursing home program recapture provision; allows the Administrator to reduce the recapture period to less than 7 years in cases of expansion, remodeling, and alteration; limits recapture to not more than the amount of grant assistance provided for the project; repeals existing statutory authority for making grants for the remodeling of State home domiciliary and hospital facilities and governing the operation of this program; provides for an October 1, 1977, effective date with a savings provision for hospital and domiciliary grants made under the section to be repealed; and gives existing nursing home program grantees the right to obtain grant modifications consistent with the new act. H.R. 3695—Public Law 95- , approved 1977. (VV)

INDEX FOR SENATE LEGISLATIVE ACHIEVEMENTS
(Prepared by Senate Democratic Policy Committee, Robert C. Byrd, Chairman)

AGRICULTURE

Federal Crop Insurance Capital (S. 955, P.L. 95-47).
Grain Inspection (S. 1051).
Land and Water Resource Conservation (S. 106).
Omnibus Farm Bill (S. 275).
Tobacco Quotas (H.R. 3416, P.L. 95-54).
Wheat and Feed Grains Loan Levels (S. Res. 193).
Wheat Producers Assistance (S. 650).
Wheat Referendum (S. 1240, P.L. 95-48).

APPROPRIATIONS

Fiscal 1977:
Continuing (H.J. Res. 351, P.L. 95-16).
Economic Stimulus (H.R. 4876, P.L. 95-29).
Supplemental (H.R. 4877, P.L. 95-26).
Urgent Disaster Supplemental (H.J. Res. 269, P.L. 95-13).
Urgent Power Supplemental (H.J. Res. 227, P.L. 95-3).
Fiscal 1978:
Agriculture (H.R. 7558).
Interior (H.R. 7636).
HUD (H.R. 7554).
Labor-HEW (H.R. 7555).
Military Construction (H.R. 7589).
State-Justice-Commerce (H.R. 7556).
Transportation (H.R. 7557).
Treasury-Postal Service (H.R. 7552).

ATOMIC ENERGY AND NASA

NASA Authorization (H.R. 4088).
Nuclear Regulatory Commission Authorization (H.R. 3733).

BUDGET

Rescissions:
Helium Purchases (H.R. 3347, P.L. 95-10).
Second Budget Rescission (H.R. 3839, P.L. 95-15).
Resolutions:
Third Budget Resolution, 1977 (S. Con. Res. 10).
First Budget Resolution, 1978 (S. Con. Res. 19).

CONGRESS

Congressional Campaign Committees Employees Retirement (S. 992).
Joint Committee on Atomic Energy Abolishment (S. 1153).
State Taxation of Members of Congress (H.R. 6893).

CRIME-JUDICIARY

Daughters of the Confederacy Patent Renewal (S. 810).
Drug Enforcement Administration (S. 1232).
Jefferson F. Davis Citizenship (S.J. Res. 16).

Juvenile Justice (H.R. 6111).
Mississippi Court Terms (S. 662).
North Dakota Judicial District (S. 195).
Omnibus Judgeships (S. 11).

DEFENSE

Coast Guard Authorization (H.R. 6823, P.L. 95-).
Defense Production Extension (S. 853, P.L. 95-37).
Deputy and Under Secretaries of Defense (S. 1372).
Military Construction Authorization (S. 1474).
Military Enlistment and Reenlistment Bonuses (H.R. 583, P.L. 95-57).
Military Procurement Authorization (H.R. 5970).

DISASTER ASSISTANCE

Disaster Relief Programs (H.R. 6197, P.L. 95-51).
Drought Emergency Authority (S. 925, P.L. 95-18).
Drought Emergency Relief (S. 1279, P.L. 95-31).

DISTRICT OF COLUMBIA

D.C. Armory Board (S. 1062).
D.C. Bonds (S. 1063).
D.C. Borrowing Authority (S. 1061).
D.C. Reciprocal Tax Collection (S. 1103).
Federal Water and Sewer Payment (S. 1322).
George Washington University (S. 1060).

ECONOMY-FINANCE

Export Administration—Arab Boycott (H.R. 5840, P.L. 95-52).
Export-Import Bank (H.R. 6415).
Foreign Corporate Bribes and Domestic Disclosure (S. 305).
Interest Rates (Regulation Q)—Federal Credit Unions (H.R. 3365, P.L. 95-22).
Securities and Exchange Commission Authorizations: (S. 1025, P.L. 95-20); (H.R. 3722).
Small Business Authorization—Disaster Relief (H.R. 692).
Small Business Loan Ceilings (H.R. 2647, P.L. 95-14).
Smith College Carillon—SST Food Stamp Eligibility—Child Support Funding—Child Day Care Study—Medicaid Funding (H.R. 1404, P.L. 95-59).
U.S. International Trade Commission (H.R. 6370).
White House Conference on Small Business (S. Res. 105).

EDUCATION

Education of the Handicapped (H.R. 6692, P.L. 95-49).
Higher Education Technical Amendments (H.R. 6774, P.L. 95-43).
Vocational Education Amendments (H.R. 3437, P.L. 95-40).

ELECTIONS

Federal Election Commission Authorization (S. 1435).
Overseas Citizens Voting Rights (S. 703).

EMPLOYMENT

CETA (H.R. 2992, P.L. 95-44).
Emergency Unemployment Compensation (H.R. 4800, P.L. 95-19).
Public Works Employment (H.R. 11, P.L. 95-28).
Youth Employment and Training (H.R. 6138).

ENERGY

Deepwater Ports (S. 891); (H.R. 6401, P.L. 95-36).
Department of Energy (S. 826).
ERDA Authorizations (S. 36, P.L. 95-39); (S. 1340).
ERDA Civilian Military Authorization (S. 1341).
ERDA Defense Program (S. 1339).
ERDA Synthetic Fuel Loan Guarantee Program (S. 37).
Federal Energy Administration Authorization (S. 1468, P.L. 95-).

Natural Gas Emergency (S. 474, P.L. 95-2).
Radiation Exposure (S. 266).
Stripmining Control and Reclamation (H.R. 2).

ENVIRONMENT

Clean Air (H.R. 6161).
Endangered Species (S. 1316).
Earthquake Hazards Reduction (S. 126).
EPA Authorization (H.R. 5101).
National Advisory Committee on Oceans and Atmosphere (H.R. 3849, P.L. 95-).
Noise Control (S. 1511).
Safe Drinking Water (S. 1528).
Sea Grant Program (H.R. 4301, P.L. 95-58).

FISHERIES

Atlantic Tunas (H.R. 6205, P.L. 95-33).
Commercial Fisheries (H.R. 6206, P.L. 95-53).
Fishermen's Protection Reimbursement Program (S. 1184).
Fishery Conservation Zone Transition (H.J. Res. 240, P.L. 95-6); (H.R. 3753, P.L. 95-8).

GENERAL GOVERNMENT

Age Discrimination Report—Nutrition Program for Elderly (H.R. 6668).
Civil Rights Commission Authorization (H.R. 5645).
Federal Assistance Program Information (S. 904).
Federal Home Loan Bank Board Members (S.J. Res. 63, P.L. 95-56).
GAO Audit of IRS and ATF (S. 213).
Intelligence Activities Authorization (S. 1539).
Kennedy Center Authorization (S. 521, P.L. 95-50).
Kennedy Presidential Library (H.J. Res. 424, P.L. 95-34).
Library Services and Construction (S. 602).
National Science Foundation Authorization (H.R. 4991).
Presidential Reorganization Authority (S. 626, P.L. 95-17).
Privacy Protection Study Commission Extension (S. 1443, P.L. 95-38).
Smithsonian Institution—Canal Zone Biological Area (S. 1031).

GOVERNMENT EMPLOYEES

Ethics in Government (S. 555).
Federal Comparability Increases (S. 964, P.L. 95-).
Secret Service Protection of Former Federal Officials (S.J. Res. 12, P.L. 95-1).

HEALTH

Child Nutrition Programs (H.R. 1139).
Public Health Programs—Biomedical Research (H.R. 4975).

HOUSING

Housing and Community Development (H.R. 6655).
Mortgage Insurance (H.J. Res. 525, P.L. 95-60).
Supplemental Housing Authorizations (H.R. 3843, P.L. 95-24).

INDIANS

American Indian Policy Review Commission (S.J. Res. 10, P.L. 95-5).
Cheyenne-Arapaho Lands (S. 1291).
Creek Nation Land (S. 947).
Ely Indian Land (S. 103).
Indian Business Development Program (H.R. 4992, P.L. 95-).
Indian Claims (H.J. Res. 539, P.L. 95-); (S. 1377).
Indian Claims Commission (H.R. 4585, P.L. 95-).
Indian Rights to Arkansas Riverbed (S. 660).
Sioux Black Hills Claim (S. 838).
Te-Moak Shoshone Land (S. 667).
Wichita Tribal Land Claim (S. 773).
Zuni Lands (S. 482).

INTERNATIONAL

Abu Daoud (S. Res. 48).
Arms Control and Disarmament Agency (H.R. 6179).

Belgrade Conference (H. Con. Res. 249).
 Harp Seal Killings (H. Con. Res. 142).
 International Cooperation on Nuclear Pro-
 liferation (S. Res. 94).
 International Development Assistance—
 Food for Peace (H.R. 6714).
 International Financial Institutions (H.R.
 5262).
 International Security Assistance—Arms
 Export Control (H.R. 6884).
 National Academy of Peace and Conflict
 (S. 469).
 Portugal Military Assistance (S. 489, P.L.
 95-23).
 Rhodesian Chrome (H.R. 1746, P.L. 95-12).
 Romanian Earthquake (S. Con. Res. 12).
 Romanian Earthquake Authorization (H.R.
 571, P.L. 95-21).
 Soviet Detention of Robert Toth (S. Res.
 194).
 Soviet Expulsion of George A. Krinsky (S.
 Res. 81).
 Soviet Freedom of Emigration (S. Con. Res.
 7).
 State Department Authorization (H.R.
 6689).
 State Department Supplemental Authori-
 zation (H.R. 5040, P.L. 95-45).
 Uganda Human Rights (S. Res. 175).
 Vietnam POW's and MIA's (S. Con. Res.
 2); (S. Con. Res. 3).

LABOR

Federal Mine Safety and Health (S. 717).

MEMORIALS, TRIBUTES AND MEDALS

Alex Haley (S. Res. 112).
 Charles A. Lindbergh (S. Res. 177).
 Cora Rubin Lane 100th Birthday (S. Res.
 162).
 Francis R. Valeo (S. Res. 133).
 General Draza Mihailovich Monument (S.
 244).
 Gerald R. Ford Building (S. 385, P.L. 95-
 25).
 Henry Ford (S. Res. 215).
 Jaycees International Conference (S. Res.
 137).
 Lieutenant General Ira C. Eaker Medal (S.
 425).
 Marian Anderson Medal (H.J. Res. 132, P.L.
 95-9).
 Mike Monroney Aeronautical Center (S.
 1640).
 Motion Picture Academy 50th Anniversary
 (S. Res. 168).
 Nez Perce War Commemoration (S. Res.
 196).
 Phillip A. Hart, Death of (S. Res. 15).
 President and Mrs. Ford (S. Res. 22).
 President Ford (S. Res. 38).
 President-Elect Carter (S. Res. 23).
 Rosalynn Carter (S. Res. 195).
 St. Patrick's Parish Anniversary (S. Res.
 116).
 Vice President Rockefeller (S. Res. 37).
 William O. Douglas (S. 776, P.L. 95-11).

NATURAL RESOURCES—NATIONAL HISTORIC SITES

Bull Run Reserve (H.R. 7606, P.L. 95-55).
 Eleanor Roosevelt National Historic Site
 (H.R. 5562, P.L. 95-32).
 Land and Water Conservation Fund (H.R.
 5306, P.L. 95-42).
 Public Works on Rivers and Harbors—Wa-
 terway Users Fee (H.R. 5885).
 Reclamation Projects (H.R. 4390, P.L. 95-
 46).
 River Basins (H.R. 6752, P.L. 95-41).
 Water Resources Development—Saline Wa-
 ter Conversion (H.R. 4746).
 Wilderness Areas Studies: Montana Wil-
 derness (S. 393).
 Wildlife Refuges (H.R. 5493).

NOMINATIONS—ACTION BY ROLL CALL VOTE

Griffin B. Bell to be Attorney General.
 Joseph A. Califano, Jr. to be Secretary of
 HEW.
 Peter F. Flaherty to be Deputy Attorney
 General.
 Ray Marshall to be Secretary of Labor.

Paul C. Warnke for Rank of Ambassador
 for SALT Negotiations and to be Director
 of the Arms Control and Disarmament
 Agency.

Andrew J. Young to be U.S. Representative
 to U.N.

PROCLAMATIONS

American Business Day (S.J. Res. 40).
 Grandparents Day (S.J. Res. 24).
 School Volunteers (S.J. Res. 62).

SENATE

Commission on the Operation of the Sen-
 ate (S. Res. 93).
 Committee Reorganization (S. Res. 4).
 Deputy President Pro Tempore (S. Res.
 17); (S. Res. 27).
 Political Fund Raising (S. Res. 188).
 Senate Ethics Code (S. Res. 110).
 Special Committee on Official Conduct (S.
 Res. 36).
 Teamsters' Pension Fund (S. Res. 139).

TAXATION

Sick Pay Exclusion (H.R. 1828).
 Tax Reduction and Simplification (H.R.
 3477, P.L. 95-30).

TRANSPORTATION

Air Transportation Subsidy (H.R. 6010).
 Aircraft Registration (H.R. 735).
 Interim Regulatory Reform (S. 263).
 Interim Regulatory Reform:
 Federal Communications Commission (S.
 1536).
 Federal Maritime Commission (S. 1532).
 Federal Power Commission (S. 1535).
 Interstate Commerce Commission (S.
 1534).
 Maritime Authorization (S. 1019).
 Rail Reorganization—Office of Rail Public
 Counsel (H.R. 4049).
 Tanker Safety (S. 682).
 Urban Mass Transportation (S. 208).

VETERANS

Veterans' Care in State Homes (H.R. 3695,
 P.L. 95-)

INDEX BY BILL NUMBER FOR SENATE LEGISLATIVE
ACHIEVEMENTS

(Prepared by Senate Democratic Policy
 Committee, Robert C. Byrd, Chairman)
 Report category

Senate bills:
 S. 11 Omnibus Judgeships—crime.
 S. 36 ERDA Authorization—energy.
 S. 37 ERDA Synthetic Fuel Loan Guar-
 antee Program—energy.
 S. 103 Ely Indian Land—Indians.
 S. 106 Land and Water Resource Conser-
 vation—agriculture.
 S. 126 Earthquake Hazard Reduction—
 Environment.
 S. 195 North Dakota Judicial District—
 crime.
 S. 208 Urban Mass Transportation—trans-
 portation.
 S. 213 GAO Audit of IRS and AFT—gen-
 eral government.
 S. 244 General Draza Mihailovich Monu-
 ment—memorials.
 S. 263 Interim Regulatory Reform—
 transportation.
 S. 266 Radiation Exposure—energy.
 S. 275 Omnibus Farm Bill—agriculture.
 S. 305 Foreign Corporate Bribes and
 Domestic Disclosure—economy.
 S. 385 Gerald R. Ford Building—memo-
 rials.
 S. 393 Montana Wilderness Areas Study—
 natural resources.
 S. 245 Lieutenant General Ira C. Eaker
 Medal—memorials.
 S. 469 National Academy of Peace and
 Conflict—international.
 S. 474 Natural Gas Emergency—energy.
 S. 482 Zuni Lands—Indians
 S. 489 Portugal Military Assistance—in-
 ternational.

S. 521 Kennedy Center Authorization—
 general government.
 S. 555 Ethics in Government—govern-
 ment employees.
 S. 602 Library Services and Construc-
 tion—general government.
 S. 626 Presidential Reorganization Au-
 thority—general government.
 S. 650 Wheat Producers Assistance—
 agriculture.
 S. 660 Indian Rights to Arkansas River-
 bed—Indians.
 S. 662 U.S. District Court Terms—crime.
 S. 667 Te-Moak Shoshone Land—Indians.
 S. 682 Tanker Safety—transportation.
 S. 703 Overseas Citizens Voting Rights—
 elections.
 S. 717 Federal Mine Safety and Health—
 labor.
 S. 773 Wichita Tribal Land Claim—In-
 dians.
 S. 776 William O. Douglas—memorials.
 S. 810 Daughters of the Confederacy
 Patent Renewal—crime.
 S. 826 Department of Energy—energy.
 S. 838 Sloux Black Hills Claim—Indians.
 S. 904 Federal Assistance Program Infor-
 mation—general government.
 S. 947 Creek Nation Land—Indians.
 S. 853 Defense Production Extension—
 defense.
 S. 891 Deepwater Ports—energy.
 S. 904 Federal Assistance Program Infor-
 mation—general government.
 S. 925 Drought Emergency Authority—
 disaster relief.
 S. 955 Federal Crop Insurance Corpora-
 tion Capital—agriculture.
 S. 964 Federal Comparability Increases—
 government employees.
 S. 992 Congressional Campaign Commit-
 tee Employees Retirement Credit—Congress.
 S. 1019 Maritime Authorization—trans-
 portation.
 S. 1025 Securities and Exchange Commis-
 sion Authorization—economy.
 S. 1031 Smithsonian Institution—Canal
 Zone Biological Area—general government.
 S. 1051 Grain Inspection—agriculture.
 S. 1060 George Washington University—
 D.C.
 S. 1061—D.C. Borrowing Authority—D.C.
 S. 1962—D.C. Armory Board—D.C.
 S. 1963 D.C. Bonds—D.C.
 S. 1103—D.C. Reciprocal Tax Collection—
 D.C.
 S. 1153 Joint Committee on Atomic
 Energy Abolishment—Congress.
 S. 1184 Fishermen's Protection Reim-
 bursement Program—fisheries.
 S. 1232 Drug Enforcement Administra-
 tion—crime.
 S. 1240 Wheat Refineries—agriculture.
 S. 1279 Drought Emergency Relief—dis-
 aster rel.
 S. 1291 Cheyenne-Arapho Land—Indians.
 S. 1316 Endangered Species—environ-
 ment.
 S. 1322 Federal Water and Sewer Pay-
 ment—D.C.
 S. 1339 ERDA Defense Program—energy.
 S. 1340 ERDA Authorization—energy.
 S. 1341 ERDA Civilian/Military Authori-
 zation—energy.
 S. 1372 Deputy and Under Secretaries of
 Defense—defense.
 S. 1377 Indian Claims—Indians.
 S. 1432 Federal Election Commission Au-
 thorizations—elections.
 S. 1443 Privacy Protection Study Com-
 mission Extension—gen. gov.
 S. 1468 Federal Energy Administration
 Authorization—energy.
 S. 1474 Military Construction Authoriza-
 tion—defense.
 S. 1511 Noise Control—environment.
 S. 1528 Safe Drinking Water—environ-
 ment.
 S. 1532 Interim Regulatory Reform—
 Federal Maritime Commission—transporta-
 tion.

S. 1534 Interim Regulatory Reform—Interstate Commerce Commission—transportation.

S. 1535 Interim Regulatory Reform—Federal Power Commission—transportation.

S. 1536 Interim Regulatory Reform—Federal Communications Commission—transportation.

S. 1539 Intelligence Activities Authorization—gen. gov.

S. 1640 Mike Monroney Aeronautical Center—memorials.

Senate resolutions:

S. Res. 4 Senate Committee Reorganization—Senate.

S. Res. 15 Philip A. Hart, Death of—memorials.

S. Res. 17 Deputy President Pro Tempore—Senate.

S. Res. 22 President and Mrs. Ford—Memorials.

S. Res. 23 President-Elect Carter—Memorials.

S. Res. 27 Deputy President Pro Tempore (Sen. Humphrey)—Senate.

S. Res. 37 Vice President Rockefeller—Memorials.

S. Res. 36 Special Committee on Official Conduct—Senate.

S. Res. 38—President Ford—Memorials.

S. Res. 48 Abu Daoud—International.

S. Res. 81—Soviet Expulsion of George A. Krinsky—International.

S. Res. 93 Commission on the Operation of the Senate—Senate.

S. Res. 94 International Cooperation on Nuclear Proliferation—International.

S. Res. 105 White House Conference on Small Business—Economy.

S. Res. 110 Senate Ethics Code—Senate.

S. Res. 112 Alex Haley—Memorials.

S. Res. 133 Francis R. Valeo—Memorials.

S. Res. 137 Jaycees International Convention—Memorials.

S. Res. 139 Teamsters' Pension Fund—Senate.

S. Res. 162 Cora Rubin Lane 100th Birthday—Memorials.

S. Res. 168 Motion Picture Academy 50th Anniversary—Memorials.

S. Res. 175 Uganda Human Rights—International.

S. Res. 188 Political Fund Raising—Senate.

S. Res. 193 Wheat and Feed Grains Loan Levels—Agriculture.

S. Res. 194 Soviet Detention of Robert Toth—International.

S. Res. 195 Rosalynn Carter—Memorials.

S. Res. 196 Nez Perce War Commemoration—Memorials.

S. Res. 215 Henry Ford—Memorials.

Senate Concurrent Resolutions:

S. Con. Res. 2 Vietnam POW's and MIA's—International.

S. Con. Res. 3 Vietnam POW's and MIA's—International.

S. Con. Res. 7 Soviet Freedom of Emigration—International.

S. Con. Res. 10 Third Budget Resolution, 1977—Budget.

S. Con. Res. 12 Romanian Earthquake—International.

S. Con. Res. 19 First Budget Resolution, 1978—Budget.

Senate Joint Resolutions:

S.J. Res. 10 American Indian Policy Review Commission—Indians.

S.J. Res. 12 Secret Service Protection of Federal Officials—Gov. Emp.

S.J. Res. 16 Jefferson F. Davis Citizenship—Crime.

S.J. Res. 24 Grandparents Day—Proclamations.

S.J. Res. 40. American Business Day—Proclamations.

S.J. Res. 62 School Volunteers—Proclamations.

S.J. Res. 63 Federal Home Loan Bank Board Members—Gen. Gov.

House bills:

H.R. 2 Stripmining Control and Reclamation—energy.

H.R. 11 Public Works Employment—employment.

H.R. 583 Military Enlistment and Reenlistment Bonuses—defense.

H.R. 692 Small Business Authorization—Disaster Relief—economy.

H.R. 735 Aircraft Registration—transportation.

H.R. 1139 Child Nutrition Programs—health.

H.R. 1404 Smith College Carillon—SSI Food Stamp Eligibility—Child Support Funding—Child Day Care Study—Medicaid Funding—economy.

H.R. 1746 Rhodesian Chrome—international.

H.R. 1828 Sick Pay Exclusion—taxation.

H.R. 2992 CETA—employment.

H.R. 3347 Budget Rescission—Hellum Purchases—budget.

H.R. 3365 Interest Rates (Regulation Q) Fed. Credit Unions—economy.

H.R. 3416 Tobacco Quotas—agriculture.

H.R. 3437 Vocational Education Amendments—education.

H.R. 3477 Tax Reform and Simplification—taxation.

H.R. 3695 Veterans' Care in State Homes—veterans.

H.R. 3722 Security and Exchange Commission Authorization—economy.

H.R. 3733 Nuclear Regulatory Commission Authorization—atomic.

H.R. 3753 Fishery Conservation Zone Transition—fisheries.

H.R. 3839 Second Budget Rescission—budget.

H.R. 3843 Supplemental Housing Authorization—housing.

H.R. 3849 National Advisory Committee on Oceans and Atmosphere—environment.

H.R. 4049 Rail Reorganization—Office of Rail Public Counsel—transportation.

H.R. 4088 NASA Authorization—atomic energy.

H.R. 4301 Sea Grant Program—environment.

H.R. 4390 Reclamation Projects—natural res.

H.R. 4585 Indian Claims Commission—Indians.

H.R. 4746 Water Resources Development—Saline Water Conversion—natural res.

H.R. 4800 Emergency Unemployment Compensation—employment.

H.R. 4876 Economic Stimulus App. 1977—approp.

H.R. 4877 Supplemental Appropriations, 1977—approp.

H.R. 4975 Public Health Programs—Biomedical Research—health.

H.R. 4991 National Science Foundation Authorization—gen. gov.

H.R. 4992 Indian Business Development Program—Indians.

H.R. 5040 State Department Supplemental Authorization—International.

H.R. 5101 EPA Authorization—environment.

H.R. 5262 International Financial Institutions—International.

H.R. 5306 Land and Water Conservation Fund—natural res.

H.R. 5493 Wildlife Refuges—natural res.

H.R. 5562 Eleanor Roosevelt National Historic Site—natural res.

H.R. 5645 Civil Rights Commission Authorization—gen. gov.

H.R. 5717 Romanian Earthquake Authorization—International.

H.R. 5840 Export Administration—Arab Boycott—economy.

H.R. 5885 Public Works on Rivers and Harbors—Waterway Users Fee—natural res.

H.R. 5970 Military Procurement Authorization—defense.

H.R. 6010 Air Transportation Subsidy—transportation.

H.R. 6111 Juvenile Justice—crime.

H.R. 6138 Youth Employment and Training—employment.

H.R. 6161 Clean Air—environment.

H.R. 6179 Arms Control and Disarmament Agency—International.

H.R. 6197 Disaster Relief Programs—disaster rel.

H.R. 6205 Commercial Fisheries Authorization—fisheries.

H.R. 6206 Atlantic Tunas Authorization—fisheries.

H.R. 6370 U.S. International Trade Commission—economy.

H.R. 6401 Deepwater Ports—energy.

H.R. 6415 Export-Import Bank—economy.

H.R. 6655 Housing and Community Development—housing.

H.R. 6668 Age Discrimination Report—Nutrition Program for Elderly—gen. gov.

H.R. 6689 State Department Authorization—International.

H.R. 6692 Education of the Handicapped—education.

H.R. 6714 International Development Assistance—Food for Peace—International.

H.R. 6752 River Basins—natural res.

H.R. 6823 Coast Guard Authorization—defense.

H.R. 6884 International Security Assistance—Arms Export Control—International.

H.R. 7552 Treasury—Postal Service Appropriations, 1978—approp.

H.R. 7554 HUD Appropriations, 1978—approp.

H.R. 7555 Labor-HEW Appropriations, 1978—approp.

H.R. 7556 State-Justice-Commerce Appropriations, 1978—approp.

H.R. 7557 Transportation Appropriations, 1978—approp.

H.R. 7558 Agriculture Appropriations, 1978—approp.

H.R. 7589 Military Construction Appropriations, 1978—approp.

H.R. 7606 Bull Run Reserve—natural res.

H.R. 7636 Interior Appropriations, 1978—approp.

House Concurrent Resolutions:

H. Con. Res. 142 Harp Seal Killings—International.

H. Con. Res. 249 Belgrade Conference—International.

House Joint Resolutions:

H.J. Res. 132 Marian Anderson Medal—memorials.

H.J. Res. 227 Urgent Power Supplemental Appropriations, 1977—approp.

H.J. Res. 240 Fishery Conservation Zone Transition—fisheries.

H.J. Res. 269 Urgent Disaster Supplemental App., 1977—approp.

H.J. Res. 351 Continuing Appropriations, 1977—approp.

H.J. Res. 424 Kennedy Presidential Library—gen. gov.

H.J. Res. 525 Mortgage Insurance—housing.

H.J. Res. 539 Indian Claims—Indians.

Mr. ROBERT C. BYRD. Mr. President, I am grateful to all Senators on both sides of the aisle, and especially grateful to the minority leader, to the assistant minority leader, to the committee chairman, and the ranking members of the committees for the splendid cooperation and assistance they have all rendered in making this excellent record of achievement possible.

Without that kind of cooperation, the Senate could not have made this record, it could not have continued and completed the enormous workload which has

been consummated. I extend my personal compliments and thanks to the distinguished minority leader for his helpfulness, for his understanding, patience and cooperation, and, as I say, to all the members of the leadership on both sides of the aisle and all Senators.

Before I conclude my remarks, may I say to the Senate, the workload ahead will be strenuous. There will be some long daily sessions in order to meet our hoped for October adjournment.

I believe I should repeat at this time that consent will not be given for committees to meet during Senate sessions after July 11, except for committees having jurisdiction over energy legislation and, of course, those committees which have standing consent, plus committees which may, from time to time, have matters before them for which ample justification can be made for consent. Otherwise, under the Stevenson resolution, committees may meet during the first 2 hours of a Senate session without consent. Of course, Senate committees may meet when the Senate is not in session also.

Mr. President, with those thanks and compliments to all the Members of the Senate, the staffs and the officers of the Senate, I believe I shall close, stating that the Senate has every right to be proud of its work. It has been hard work, the Members have stayed long hours, they have been grueling hours, and the chairmen and ranking members have remained on their feet many hours in long daily sessions. But the Senators have worked together and have shown a splendid example of cooperation, understanding and teamwork. Once again, I am very thankful.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. BAKER. Mr. President, I thank the majority leader for his remarks. I am especially pleased that he gave us this summary of the Senate's work to date. I, in turn, commend him for running a taut ship.

I said to my wife last night when I got home at 8 o'clock that it felt like a great luxury, but 8 o'clock seemed early, considering the length of the legislative days these days.

Mr. President, notwithstanding that I know there is an accumulation and burden of fatigue on both sides of the aisle, and that I am sure the majority leader feels it as I feel it, there is a sense of accomplishment which is properly noted today and for which the majority leader, who has the unique responsibility for setting and scheduling the pace of the Senate, should be commended. I do now commend him for it.

I would add one thing to his observations which I think is of great value to the Senate. That is reasonable certainty. While it is certain that we have had long days, it is also reasonably certain that the schedule has been met; that when we have periods of nonlegislative business that they do in fact occur; that the extensive and sometimes complicated plans of Members made often far in advance are not discommoded by a schedule of the Senate which spills over to Saturdays, or which makes it impossible to persist as scheduled and announced.

So I believe certainly and reliable scheduling is a matter of importance.

As in all things, there is a tradeoff. The tradeoff is that we have often been here late at night. The majority leader, I am sure, will not misunderstand my remarks. On some occasions I have retreated to the entrance foyer of this Chamber where we have sat together in our own private little conference niche to say that I believe the Members are getting tired and it is time to go home. More often than not, the majority leader has been sympathetic, but he has been diligent in seeing that we complete the schedule. I commend him for that.

I do think, Mr. President, that we are fortunate to have as much work behind us as we have by this July break. I think it is unique in my experience in the Senate, which measures a little over 10 years. I believe it is a mark of great accomplishment for the majority leader and for the Senate.

I am particularly glad to note that the majority leader does not plan, ordinarily, to grant consent for committees to meet after July 11 beyond the time provided under the rules.

I might add my own aside. We have discussed this before. It is also my intention to withhold consent for that purpose, except in extraordinary circumstances. The reason for it is in furtherance, Mr. President, of the objectives previously stated by the majority leader and observed today. That is, we have a schedule that I think we should meet, including an August break and sine die adjournment in early October. I think it is clear now, at this point in this session of Congress, that we can do that, provided that we finish the workload that we reasonably assign ourselves.

Mr. ROBERT C. BYRD. And that the other body is able to dispatch its work, and that we get complete cooperation from the executive branch, which is well aware of our problems and our intentions.

Mr. BAKER. For which I commend the good offices of the majority leader to intervene. The minority leader, by the nature of things, has so little impact on the scheduling of legislative events that he does not even have the temerity to suggest how it would extend beyond the confines of the Chamber to the House of Representatives and the White House. But I agree with that.

Mr. President, I think we have done a great deal. We have worked hard, and there is much fatigue among our Members. We have all done our share of grousing about early sessions and late sessions. But the Senate has done an extraordinarily good job in this time. The majority leader is to be commended for it.

We have done it, Mr. President, in my view, without jeopardizing the rights or the interests of any Member—I think with caution and scrupulous attention to the Senate Rules and the waiver of them: The 1-day rule, the day layover, the nominations, reports, the other devices that are put in place to protect the interests of the Members.

We have initiated the Unanimous Consent Calendar to give more notice to Members regarding matters of which we

are going to dispose. I believe that the consultation with ranking members, and, I am sure, with chairmen, on the passage of measures on the call of the calendar, has been more thorough, complete, and diligent than I have ever seen.

Altogether, Mr. President, I think it has been a good session of the Congress and I extend my compliments to the majority leader for his contribution to that effort, which is very great, indeed.

Mr. ROBERT C. BYRD. Mr. President, the distinguished minority leader has mentioned some grousing. I have not heard much grousing. There is always grousing in every session, and there always will be some. But I think Senators can take heart when they note that we have not had Saturday sessions this session and that, on 40 days of this session, the Senate did not convene until after noon, which gave committees more opportunity to meet without interruption. As compared with 40 days this session for the convening of the Senate postnoon, in the last 20 years the Senate came in after noon only four times.

That is why we have the nonlegislative day period, so that Senators may rest, get back to their constituents, and experience a change of pace. I am going back to West Virginia twice. I am going to get reinvigorated, rejuvenated, get back to the iridescent sunsets and the viridescent hills, and enjoy the pure water and clean air, and the hospitality and good cooking, for which West Virginia is known.

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

Mr. ROBERT C. BYRD. Yes. I yield.
Mr. KENNEDY. Will the Senator visit Logan and Mingo County, or Bluefield, perhaps?

Mr. ROBERT C. BYRD. I shall not get to visit those places this time. I expect to get to Charleston and I am going to Hardy County, over in the eastern part of the State.

I recommend to all Senators that they visit West Virginia's beautiful parks and stay at the lodges during the holiday, if they possibly can.

Mr. BAKER. Mr. President, I can virtually hear fiddle music to accompany that statement.

Mr. ROBERT C. BYRD. Mr. President, I beg the indulgence of the distinguished Senator from Massachusetts. I know we are delaying him in his special order.

Mr. President, I yield the floor.
The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Massachusetts (Mr. KENNEDY) is recognized for not to exceed 15 minutes.

Mr. KENNEDY. Mr. President, before making my remarks on another subject, I want to express my appreciation to the majority leader as well as the minority leader for the really outstanding leadership that they have provided for this institution in the time since they have assumed their responsibilities as leaders of our two great political parties in the Senate. I think all of us have been enormously impressed by their leadership and their willingness to face up to some of the difficult and challenging policy questions that we are facing, and do it in a way which permits a full and com-

plete discussion of the issues and also provides at least some early opportunity for the disposition of them.

I join in commending the majority leader for moving this institution in the public's business as far and as fast as we have over the period of these past few months. I think all of us in the Senate are in his debt, as well as in the debt of the minority leader.

Mr. ROBERT C. BYRD. I thank the distinguished Senator from Massachusetts for his very gracious remarks.

THE PATH TO FUNDAMENTAL TAX REFORM

Mr. KENNEDY. Mr. President, the enactment of the Massive Tax Reform Act of 1976 last October marked the end of a tax reform era—an 8-year period in which Congress almost exclusively bore the burden of formulating and enacting reforms to make our tax laws more equitable and more rational.

The election of a President committed to comprehensive tax reform signalled the return to a more productive relationship in which Congress and the executive branch would once again be pulling together to provide the kind of tax system to which the American people are entitled.

Already we have seen the beneficial results of the change. President Carter has consistently stated and restated his commitment to fundamental tax reform. He has appointed a skilled and effective tax policy team at the Treasury under Secretary Blumenthal. Their work helped produce the major tax simplifications that were contained in the recent Tax Reduction and Simplification Act, signed by the President last May. In addition, under the Carter administration, the Treasury has quickly reassumed its proper and fundamental role as a champion of the public interest and opponent of narrow, special interest tax preferences. Moreover, the President's appointment of vigorous yet sensitive tax administrators to head the Internal Revenue Service has already produced evidence of a new era of effective, simplified and impartial enforcement of our tax laws. President Carter deserves great credit for the outstanding appointments at the Treasury and the IRS. The public interest already is being well served by these efforts and by the President's commitment.

I therefore want to take this opportunity to continue the cooperative exchange of views that has developed between Congress and the Carter administration in the critically important area of tax policy.

For the consideration of the administration, the Congress, and others interested in these basic issues, I am submitting today a series of proposals for fundamental tax reform. It is my hope that these recommendations will provide a useful framework within which consideration and evaluation of various proposals for tax reform can take place.

Particularly, it is my hope that the tax reform studies currently underway in the Treasury will produce administrative recommendations that will clearly

constitute "fundamental tax reform." Undoubtedly there will be some differences in detail. But I look forward to working with the Carter administration, the chairman and members of the Senate Finance Committee, and others in Congress to produce in 1978 a tax bill that will insure a fairer, more simple and more rational tax system for all Americans.

In essence, Mr. President, I am proposing a \$28 billion program of tax reform and tax simplification for individuals and corporations as a means of fulfilling the commitment to a comprehensive overhaul of the Nation's tax laws.

I hope that these proposals will be a signal to the administration that Congress not only will welcome far-reaching proposals by the administration, but also will work closely with the administration to enact fundamental tax reform and to achieve the three basic goals of fairness, simplicity and efficiency in the income tax laws.

My proposals consist of a balanced revenue package involving tax changes of \$21 billion for individuals and \$7 billion for corporations. Under these proposals, the dollars raised from revenue saving tax reforms will be recycled dollar for dollar to individuals through rate reductions and other tax relief, and to corporations by increases in the investment credit and a reduction in the corporate tax rate. In this way, we can insure that the revenue gains from the repeal or modification of tax preferences that unduly benefit selected taxpayers will be returned to all taxpayers in the form of across-the-board rate cuts.

The tax relief contained in the proposals for individuals will be extended to all taxpayers throughout the income scale, but the primary relief will go to low and middle income taxpayers, especially homeowners and families with children.

The key features of the reform proposals for individuals include:

A reduction in the current 14 to 70 percent tax rates on individuals to new rates ranging from 10 to 50 percent with reductions at all intermediate levels as well.

A shift in the current \$750 personal exemption to a new tax credit in the range of \$200 to \$250, depending on the revenues available. A tax credit is worth more to low- and middle-income families than a tax deduction. The \$750 deduction under current law brings a tax saving of \$525 for persons in the top 70-percent bracket, but a saving of only \$105 for persons in the bottom 14-percent bracket. The tax credit would provide the same relief to all taxpayers.

The \$750 exemption for dependent children will be turned into a "children's allowance" by making the \$200 to \$250 tax credit "refundable," so that it will be available as a tax refund to low income persons, even though they had no tax liability. The current \$750 exemption is actually a children's allowance as well, but it is denied to low income families who need it the most.

Repeal of the present preferential tax treatment for capital gains, and taxation of capital gains on property passing

at death or by gift is also an important proposal. These two changes together would account for \$16 billion of the \$22 billion in revenue raising reforms for individuals. There is no justification for the special treatment of capital gains in current law. Such treatment is a major cause of inequity and complexity in the tax laws. A dollar of capital gains income is equivalent in a practical sense to a dollar of wage income. They look the same, they spend the same, and they should be taxed the same. A reduction in the top rate bracket from 70 percent to 50 percent would minimize the impact of the change on high income taxpayers.

Repeal of the present 15-percent minimum tax on tax preference income; the minimum tax would be unnecessary if other reforms are carried out, and its elimination would end a substantial source of complexity in current law.

Major changes in the tax treatment of single persons and the family unit. A single, unified rate schedule will be used by all taxpayers—single persons, married couples, and heads of households—thus ending the current tax discrimination against single persons, who are taxed at rates 20 percent higher than married couples. A special tax credit will be provided for two wage-earner married couples, to end the "marriage penalty" against such persons under present law.

Three major personal deductions in current law—the homeowner's deductions for mortgage interest and for property taxes, and the deduction for charitable contributions—will also be converted to tax credits.

Reductions in tax rates will substantially reduce the Federal subsidies now expended through the deductions for homeowners and for charitable contributions. To insure continuing Federal tax support in these two vital areas, the new tax credits should be set at amounts designed to maintain Federal support at current levels—\$11 billion a year for homeowners's interest and property taxes, and \$6 billion a year for charities.

In addition, the change to tax credits in these areas should be designed to permit the new tax incentives to be provided to the 75 percent of low- and middle-income homeowners and charitable donors who presently use the standard deduction, and who therefore get no benefit at all from the itemized deductions for interest, property taxes, and gifts to charity.

Other individual income tax reforms include: repeal of the major deductions used in tax shelters, including accelerated depreciation for real estate—other than low-income housing—and the intangible drilling deduction for oil and gas; a Federal interest rate subsidy to encourage State and local governments to issue taxable bonds instead of tax exempt bonds; repeal of the exclusion for interest on industrial development bonds; and repeal of the itemized deductions for gasoline taxes and interest on consumer debt.

Under the proposals, the current tax deduction for medical expenses will be phased out as a national health insurance program is phased in. The deduc-

tions for State and local income and sales taxes would be repealed and the revenues would be returned to State and local governments as an incentive for State and local tax reductions.

To spur capital formation, I propose that individual investors should be entitled to deduct \$9,000 of net capital losses from their other income, or triple the \$3,000 deduction allowed under present law.

In the area of the corporate income tax, three major reforms are proposed:

The 10-percent investment tax credit now available for purchases of machinery and equipment should be made refundable, so that the benefits can be made available as a refund to corporations whose tax liability is not large enough to use the full current credit. The refundable investment credit has also been endorsed by Senator RUSSELL LONG, chairman of the Senate Finance Committee.

I believe that the concept should also be applied for the benefit of hospitals and universities and other tax exempt organizations, who are also heavy purchasers of equipment and machinery, and who should not have to pay higher prices for such items than corporate purchasers pay. Extending the investment credit to such institutions would also be a stimulus to manufacturers of equipment and machinery.

An additional incremental credit of 5 percent should be granted for investment exceeding the average investment of the 3 prior years. The new incremental credit would also be made refundable.

The top corporate tax rate should be cut from 48 percent to 45 percent.

The investment credit changes will benefit new firms, small businesses and tax exempt institutions. The corporate rate changes will benefit a broad range of medium sized and larger firms. Both changes will encourage increased capital formation.

In addition, I propose a variety of steps to curtail tax subsidized "expense account living," including: denial of deductions for business meals, yachts, country clubs; tickets to sporting events, theaters, and similar entertainment; and the first-class portion of air fare. We also need an IRS crackdown on abuses of corporate jets and conventions. In addition, deductions for travel away from home should be limited to the Government per diem amount. Abuses in this area of expense account living are a source of substantial irritation to the average taxpayer. There are few more vivid symbols of the disgrace of our current tax laws than the martini lunch, the first-class fare, and the front row seat.

Other needed tax reforms in the business and corporate area include a requirement of accrual accounting for large farm corporations, and complete repeal of the following tax preferences: the percentage depletion allowance for oil and gas and all other minerals; the ADR system of accelerated depreciation; the preferential capital gains tax rate for corporations; the DISC tax subsidy for exports; and the tax deferral allowed for earnings of foreign subsidiaries of U.S. corporations.

In the estate tax, I propose a series of improvements in the measure passed by Congress in 1976, including a halt to the estate tax exemption at the \$120,000 level, rather than the \$175,000 level now scheduled for 1981, and a closing of the loopholes in the generation-skipping tax enacted in 1976.

I also urge the administration to reject three specific proposals currently being discussed—partial integration of corporate and individual income taxes, adjustments in the basis of property to reflect inflation, and a value-added tax. Each of these proposals has serious flaws, and cannot be reconciled with tax reform goals.

As I have indicated, I favor a balanced revenue package of tax reforms. Apart from tax reform, however, additional tax reductions might be justified as a matter of fiscal policy or to counteract the effects of continuing high inflation, which pushes taxpayers into higher rate brackets. But a revenue loss on tax reform itself cannot be justified, given the administration's emphasis on a balanced revenue package for welfare reform, a balanced Federal budget for 1981, and the need for additional revenues for essential new programs like national health insurance.

Mr. President, I commend President Carter's commitment to tax reform, and I also commend the ability and efforts of the President's new tax team at the Treasury and the IRS.

I look forward to continued cooperation between Congress and the administration to achieve tax reform, and to create a tax system that is a model of equity, simplicity, and efficiency for all taxpayers.

Mr. President, earlier this week, the Secretary of the Treasury delivered an important address on the administration's approach to tax reform. I agree with Secretary Blumenthal's view that the proper approach to tax law changes should be "reformist," rather than "radical." I commend Secretary Blumenthal's emphasis on preserving the income tax as the centerpiece of the American tax system, and rejecting radical approaches like a value-added tax.

The reformist approach is clearly consistent with fundamental and far-reaching reforms, and I welcome the indication by Secretary Blumenthal that the administration is giving serious consideration to complete repeal of the tax preference for capital gains. I urge the administration to continue its vigorous approach, and I hope the present proposals I am making will be a source of encouragement and support for all those in the administration seeking genuine tax reform. Clearly, we have to go substantially beyond the level of the Tax Reform Act of 1976 to justify the label of "reform." Congress should not be put through the labor of tax reform, only to produce another mouse.

Obviously, those who benefit hand-somely from current loopholes will reject any tax reform at all as "radical." But the fact is that my proposals would affect only \$28 billion—or only 23 percent—of the total \$125 billion in tax expenditures estimated for fiscal year 1978. Nearly

\$100 billion in current tax subsidies will be preserved, including the tax exemptions for social security benefits and private pension plan contributions, the small business surtax exemption, and a variety of other tax benefits in current law.

The aim of tax reform is not to plow up the whole garden, but to get rid of the weeds so that we can let the flowers grow.

The recommendations for tax reform that I have proposed can move our tax system from a "disgrace" toward a "model" for the human race. Not all will agree with the details of each proposal—not even those who are as strongly committed to tax reform as I am. But differences in detail should not obscure what I hope will be larger agreement on the proposition that only fundamental reform of our tax structure will satisfy the expectations of the American people for a fairer, more simple, and more efficient tax system. In this larger perspective, I hope these proposals will serve as a stimulus and a framework within which constructive analysis and dialog can take place.

I believe that the President has both the desire and the ability to mobilize a powerful national constituency for fundamental tax reform. I urge him to be bold, and to encourage the Treasury, beset by lobbyists bent on retaining or winning special privileges to be bold as well.

Mr. President, I ask unanimous consent that my prepared statement may be printed at this point in the RECORD. I also ask unanimous consent that Secretary Blumenthal's address this week, to which I have referred, be printed in the RECORD.

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

STATEMENT BY SENATOR EDWARD M. KENNEDY—
FUNDAMENTAL TAX REFORM, JULY 1, 1977

CONTENTS

Introduction Revenue Effects

- I. Fundamental tax reform: The basic themes.
- II. The Federal tax system: Areas for reform.
- III. Tax reform and revenue balance.
- IV. Individual income taxation.
 - A. Tax rates:
 1. Repeal of preferential rates for capital gains.
 2. Rate schedule ranging from 10% to 50%.
 3. Repeal of minimum and maximum tax rates.
 - B. Preferential tax deductions:
 1. Tax shelter items.
 - a. Repeal accelerated depreciation for real estate.
 - b. Repeal intangible drilling and development cost deduction.
 - c. Regulatory authority to enable IRS to combat new tax shelters.
 2. Itemized personal deductions.
 - a. Medical expenses.
 - b. Homeowner mortgage interest and property taxes.
 - c. Charitable contributions.
 - d. Other itemized deductions.
 - e. Effect of itemized personal deduction proposals.
 - C. Preferential treatment of income:
 1. Capital gains at death.
 2. Interest on tax exempt bonds.
 3. Withholding on interest and dividends.

- D. Tax treatment of the family.
- E. Tax aid for dependent children.
- V. Corporate and business taxation.
- A. Provisions to stimulate capital investment:
 - 1. Incremental and refundable investment credit.
 - 2. Reduction of corporate tax rate from 48% to 45%.
 - 3. Increase in limit on deduction for investment losses.
- B. Repeal of tax preferences:
 - 1. Repeal of ADR.
 - 2. Complete repeal of the percentage depletion deduction.
 - 3. Repeal of preferential capital gains rate for corporations.
 - 4. Accrual accounting for large farm corporations.
- C. Proposals that should be rejected:
 - 1. Partial integration of corporate and personal income taxes.
 - 2. Basis adjustment for inflation.
 - 3. Value added tax.
 - 4. Tightening of expense account living rules.
- VI. Taxation of international transactions.
 - A. Repeal of DISC:
 - B. Repeal of tax deferral on earnings of U.S. controlled foreign subsidiaries:
 - C. Repeal of exclusion for income earned abroad by U.S. citizens:
- VII. Wealth transfer taxation.
 - A. Estate and gift taxes:
 - 1. Full unification of estate and gift taxes.
 - 2. The increase in the exemption level should be stopped at \$120,000.
 - 3. Provision of an unlimited marital deduction.
 - 4. Modification of tax preferences.
 - B. The generation-skipping tax:
- VIII. Conclusion.

Revenue effects of fundamental income tax reform proposals

(Dollars in billion; full year effect at FY 1978 levels)

I. Individual income tax:	
A. Capital gain reforms:	
1. Repeal of preferential rates.....	\$7.9
2. Taxation of capital gains at death.....	8.1
3. Increased limit on deduction for capital losses.....	0.6
B. Tax shelter reforms:	
1. Repeal accelerated depreciation on real estate (other than low income housing).....	0.6
2. Repeal intangible drilling and development cost deduction.....	0.6
3. Repeal percentage depletion.....	0.3
4. Repeal of ADR.....	0.2
C. Itemized personal deduction reforms:	
1. Conversion of homeowners' mortgage interest and property tax deductions to tax credit.....	1.0
2. Conversion of charitable contribution deduction to tax credit.....	2.0
3. Repeal of gasoline tax deduction.....	0.9
4. Repeal of deductions for medical expenses and State and local (nonproperty) taxes.....	3.0
5. Repeal of deductions for interest on consumer debt.....	2.6
D. Reform of preferential treatment of income items:	
1. Repeal of exclusion for interest on industrial development bonds.....	0.2
2. Withholding on interest and dividends.....	1.4
3. Repeal of exclusion for income earned abroad.....	0.1
E. Refundable and incremental investment tax credit.....	
1. Repeal of maximum tax.....	0.2
F. Minimum tax and maximum tax:	
1. Repeal of maximum tax.....	1.5
2. Repeal of maximum tax.....	0.9

G. Net revenue gain from reform of individual income tax.....	\$21.5
H. Revenues available to produce balanced package for individuals through reductions in rates and changes in treatment of the family.....	
II. Corporate income tax:	21.5
A. Repeal of tax preferences:	
1. Accelerated depreciation for real estate.....	0.3
2. Intangible drilling and development cost deduction.....	0.2
3. Percentage depletion.....	1.1
4. Preferential capital gain rate.....	0.9
5. Exclusion for interest on industrial development bonds.....	0.5
6. ADR.....	1.8
7. Accrual accounting for large farm corporations.....	0.1
8. DISC.....	1.2
9. Repeal of tax deferral on earnings of U.S. controlled foreign subsidiaries.....	0.4
10. Total Revenue Gain.....	6.5
B. Proposals to stimulate capital investment:	
1. Refundable and incremental investment tax credit.....	-3.8
2. Reduction in corporate tax rate from 48% to 45%.....	-3.6
3. Total revenue loss.....	-7.4
¹ Assumes \$11,000,000,000 in revenue loss from current deductions will be utilized for new tax credit.	
² Assume \$6,000,000,000 in revenue loss from current deduction will be utilized for new tax credit.	
³ Assumes \$2,900,000,000 and \$9,000,000,000 in revenue losses from current deductions will be added to direct national health insurance and revenue sharing programs.	

I. FUNDAMENTAL TAX REFORM: THE BASIC THEMES

I strongly agree with President Carter and Secretary Blumenthal that three basic themes must guide our tax reform deliberations and govern the contents of the next tax reform bill: Fairness; Simplicity; and Efficiency.

Fairness in the context of the individual income tax requires that we correct the elements in the system that impair the progressivity of the income tax. The progressivity principle states that those who have derived greater monetary benefits from our economic system should contribute relatively larger amounts to the conduct of government than those who have received fewer benefits. This principle is widely accepted as a proper measure of "fairness" by the American people.

But scores of provisions in the Internal Revenue Code violate this principle and permit thousands of high income individuals to pay little or no federal income tax. In 1974, for example, over 3,000 individuals with adjusted gross incomes in excess of \$50,000 paid no federal income tax. A recent Treasury study indicates that this group was only the tip of the iceberg—many thousands of additional high income persons pay an effective rate of tax equal to that paid by the \$10,000 a year wage earner.

The changes made by the Tax Reform Act of 1976 in the minimum tax leave this problem largely untouched, and do not affect at all the thousands of high income "zero-taxpayers" who still continue to receive a free ride under our tax laws. This situation is unacceptable. The "fairness" principle requires that in the next tax reform act, we must insure greater progressivity in our income tax system by curtailing the tax preferences that permit high income in-

dividuals to pay little or no federal income taxes.

Simplicity has multiple aspects. For the great majority of taxpayers, income is derived primarily from wages. For them, tax simplification requires a shorter and more readily understood tax form—a return that can be prepared and filed by the individuals themselves, without the necessity of paying someone else to prepare their returns.

There is another aspect of the simplicity theme that must be recognized: The greatest source of complexity in our current tax system is the existence of tax expenditures. The decisions to run between 80 and 90 federal spending programs through the Internal Revenue Code have made our income tax system inordinately complex. It is extremely difficult to administer and it is virtually impossible to understand. How, for example, can the IRS be asked to develop a simple tax return form, when it must include schedules and lines for 80 or 90 Federal spending programs, in addition to those required for the actual tax collection process? Congress must accept the fact that the use of tax expenditures is incompatible with the simplification goal. New tax expenditures automatically mean greater complexity; reduced reliance on tax expenditures automatically insures greater tax simplification.

Efficiency as a theme relates principally to the allocation of resources in our economy. It affects primarily our methods of taxing corporate, business and investment income, although it also has substantial application to tax expenditures for individuals. The goal is to reduce wasteful and artificial tax inducements to particular forms of economic behavior that distort our free market system and produce inefficiencies in the allocation of available capital resources. We must examine closely each existing and proposed tax incentive—eliminate the inefficient incentives, insure that the incentives we do employ are structured in the most efficient form, and employ the most effective tax tools to encourage capital formation.

Experience in recent years has taught that the goals of fairness, simplicity and efficiency are not always compatible. It is often difficult, for example, to achieve complete fairness in a simple way. Conversely, simplification cannot become an excuse for intolerable inequities. But we can and should test each proposal against each of these standards, to insure that a particular recommendation does not achieve one goal at an excessive cost in terms of the other two. We should, for example, reject any tax proposals to achieve capital formation that make the tax system unacceptably unfair or too complex.

We cannot expect to achieve fully these goals in every area. In some instances we may only be able to move part way. But the Tax Reform Act of 1978 will constitute a giant step in the right direction if we can insure that all provisions adopted move in the direction of achieving our basic goals of fairness, simplicity and efficient allocation to capital resources.

II. THE FEDERAL TAX SYSTEM: AREAS FOR REFORM

A serious problem that has plagued tax reform efforts in recent years has been the piecemeal nature of the efforts. Since the 1968 Treasury Tax Reform Studies and Proposals, Congress has not been presented with, or developed for itself, a comprehensive and workable overview within which tax revision proposals may be considered. Fundamental tax reform requires that the entire federal tax system be considered. Changes in one area of the tax system have ripple effects in others. Some are progressive and others are regressive. Ideally, fundamental tax reform should also include consideration of the Social Security tax and the proposed new energy taxes, although, so far, Congress and

the Administration have been treating these taxes on separate tracks.

My proposals today are intended to present a set of comprehensive and consistent reforms in the following areas: Individual income taxation; corporate and business income taxation; taxation of international transactions; wealth transfer taxation.

As I outline my recommendations in each area, I will indicate how the proposals help to achieve greater fairness, simplicity and efficiency.

III. TAX REFORM AND REVENUE BALANCE

In approaching fundamental tax reform, my proposals provide a balanced package in terms of Federal revenues. Revenues gained from reform of the taxation of individuals should be returned to individual taxpayers in the form of rate reductions or other tax relief. The balance is a dual one—there is no net loss of revenues arising from changes in individual income taxes and no net loss arising from changes in corporate and business taxes.

The use of tax reform revenues clearly focuses on the questions of national priorities that confront us. It is difficult, for example, to justify an emphasis on a balanced revenue package in the area of welfare reform, while refusing to require such a balance in tax reform. We also must be concerned about the revenues needed to implement a program of national health insurance, an area in which the Administration has promised to submit its plan by early 1978. Finally, it is difficult to reconcile a negative balance on tax reform with the Administration's emphasis on a balanced Federal budget in fiscal year 1981.

To a large extent, the pressure for a negative revenue balance from tax reform appears to have resulted from the initial focus by some in the Administration on proposals for "corporate integration," and the large revenue loss associated with such proposals. Now that the Administration's focus on "integration" seems to be reduced, we may hope that the pressure for a negative revenue balance in the Administration's proposals will also decline.

As a matter of fiscal policy, of course, there may be a need in 1978 for additional stimulus to the economy in the form of tax reductions. In addition, if inflation continues at its current high and unsatisfactory level, it may be necessary to enact tax reductions to offset the impact of the inflation. But these issues should be considered apart from the revenue effects of the tax reform proposals. In this way, we can keep our priorities straight, without tilting the scales against other important social priorities, including the President's goal of a balanced Federal budget.

IV. INDIVIDUAL INCOME TAXATION

A. Tax rates

1. Repeal of Preferential Rates for Capital Gains. Presently, capital gains are taxed at only one-half the rates applicable to ordinary income. But, a dollar of capital gains income is equivalent in a practical sense to a dollar of wage income. They look the same and they spend the same.

The preferential rate of tax for capital gains in the current tax laws is one of the major causes of tax inequity. It is also the source of many of the most complex provisions in the Internal Revenue Code. Taxpayers and their advisers spend inordinate amounts of time looking for capital gain investments, and trying to convert ordinary income transactions into capital gain deals. These efforts produce serious inefficiencies and distortions in our economic system.

Under the reform I propose, capital gains would be taxed like ordinary income. Income averaging and the benefits of installment reporting of income will continue, so

that income bunched in a single year need not create an undue tax burden.

The reduction to 50% in the top marginal tax rate suggested below will produce a top rate on capital gains that is almost the same as that under present law, when the minimum and maximum taxes are taken into account. Repeal of the capital gains preference will increase the fairness of the tax system; it will vastly simplify it; and it will remove a serious artificial consideration in the allocation of capital resources.

2. Rate Schedule Ranging from 10%-50%. The reforms discussed below, coupled with removal of the capital gains preferences, will permit a reduction in tax rates for all taxpayers. A reduction of the starting rate from 14% to about 10% would be highly beneficial for lower income workers. A top marginal rate of 50% would insure that natural incentives for work and investment would be enhanced. Correspondingly, rates throughout the scale would be reduced proportionately.

It must be emphasized, however, that reduction of the top rate to 50% cannot be adopted unless the special rates of tax on capital gains are eliminated and the income tax is imposed on the gains in property passing at death (as discussed below). Reducing the rate to 50% without adopting the proposed changes in the treatment of capital gains will simply produce a tax windfall for the rich, without any compensating gains in fairness, simplicity or efficiency.

3. Repeal of Minimum and Maximum Tax Rates. Adoption of the reforms I propose will permit the repeal of both the minimum tax and the maximum tax in current law. The major preferences to which the 15% minimum tax applies—such as capital gains—would be repealed, so that the minimum tax would become unnecessary. Reduction of the top marginal rate from 70% to 50% would subject unearned income to the present 50% maximum rate on earned income.

B. Preferential tax deductions

1. Tax Shelter Items. Despite restrictions imposed by the 1976 Act on the rules utilized to create tax shelters, evidence is beginning to accumulate that the tax shelter industry is adjusting to the changes. Tax shelter deals are still being marketed in abundance. It is apparent that what is needed is elimination of the fundamental preferences on which tax shelter deals are constructed. I propose that Congress take the following necessary action to see that the word "shelter" disappears from the tax vocabulary.

a. Repeal Accelerated Depreciation for Real Estate. The real estate tax shelter was left untouched by the 1976 Act. The unfair and inefficient subsidy provided through accelerated depreciation should be eliminated over a 5-year period of time. As I have emphasized on other occasions, low income housing must be exempted from this change until a new Federal housing program is in place that is fairer and more rational than the present wasteful system. Fortunately, the appropriate committees in the Senate and House have commenced studies on possible approaches—both tax and direct—that would correct the present defects. A report of the Congressional Budget Office has documented the waste in the present system and suggested various approaches to reform.

However, there is no need to delay action to terminate the current tax subsidies for high rise office buildings, luxury apartments, beach front condominiums, movie theaters, and shopping centers. These loopholes should be closed as part of the 1978 reforms.

b. Repeal Intangible Drilling and Development Cost Deduction. The principal component of the oil and gas tax shelter is the special deduction for "intangible" drilling

and development costs. These are capital costs that should be deducted ratably over the life of the well. Instead, current law permits the immediate deduction of the full amount of the costs. Such tax treatment is contrary to the treatment of similar items in other industries, where such costs must be capitalized and recovered through depreciation.

The continued existence of the intangibles deduction is contrary to the emerging national energy policy. There is a broad consensus that we should allow oil and gas prices to rise to levels more nearly reflecting market prices. But the special deduction for intangible costs operates artificially to keep the price of oil and gas below market level. Distortions and inefficiencies are the inevitable result.

As was concisely stated in "The National Energy Plan" proposed by the President:

"Tax benefits to producers and regulation of prices to consumers have kept the price of energy below its true replacement cost, and thereby promoted consumption and waste."

It is unfortunate that an ill-considered proposal to delete intangibles from the list of preferences subject to the minimum tax was included in the Carter energy plan. That is a step in the wrong direction which I hope Congress will soon reverse.

As we move toward a national energy plan, we must eliminate wasteful subsidies. The special deduction for intangible drilling and development costs should be repealed, both in the interest of greater tax fairness, and as part of the overall effort to construct an efficient and rational energy policy for the nation.

c. Regulatory Authority to Enable IRS to Combat Tax Shelters. Before the ink was dry on the Tax Reform Act of 1976, syndicators of tax shelters, their lawyers and accountants were busy devising new tax shelters to avoid the limitations of the Act. For example, advertisements are running in periodicals promoting investment in a rock record as a tax shelter for the individual investor.

Congress should not have to spend its time chasing tax shelter entrepreneurs. Congress simply cannot be involved in writing complex new provisions to shut down each new form of tax shelter as it is discovered. Therefore, the Treasury and IRS should be given regulatory authority under Congressional guidelines to close off new shelters by regulation.

In addition, as Commissioner Kurtz has suggested, the IRS should be empowered to join all members of a tax shelter in a single court proceeding when a tax deficiency is asserted against the individual partners. This change will insure more effective oversight of tax shelter operations and eliminate the waste of multiple court actions. Such a step is essential when some large tax shelter deals combined hundreds of investors.

2. Itemized Personal Deductions. The itemized personal deductions—principally for interest, state and local taxes, medical expenses and charitable contributions—constitute a major source of revenue loss in the individual tax system. The Congressional Budget Office has estimated that these four items will cost \$33 billion in fiscal 1977—30% of the total tax expenditures for that year. By 1982, CBO estimates that these four items will cost \$45.0 billion.

In addition to the large revenue costs, these itemized personal deductions are the source of great tax unfairness and complexity in the income tax. The inequities have been widely recognized for years. The deductions are of no benefit at all to the 75% of the people who do not have personal deductions in excess of their so-called zero bracket amount (the former standard deduction). As a result over \$33 billion in federal subsidies in

fiscal 1977 will be bestowed on the 25% of the people in the country with the highest incomes—those who do not use the standard deduction.

This result is manifestly unfair, and a number of proposals have been advanced to reduce the inequity. Some have suggested placing a substantial floor under the itemized deductions. For example, the deductions might be limited to amounts in excess of 10% or 15% of adjusted gross income. Such action would effectively cut down the scope of the itemized deductions. But it would also continue the tax preferences for an elite and privileged few.

Although the "floor" approach is not without merit, perhaps as a transitional device, I believe it would be better to examine the itemized personal deductions individually, repealing those that cannot be justified and modifying others to make them fairer and more efficient.

a. Medical Expenses. Fundamentally, this deduction constitute a national health insurance program for a limited group of citizens: No benefits—no health insurance plan—is available for those who use the standard deduction.

For those who qualify because they are itemizers, there is a "deductible," equal to 3% of adjusted gross income; for most persons only relatively large medical costs are tax deductible.

There is also a "coinsurance" element, in which the coinsurance rate is a function of the individual's tax bracket. The higher an individual's income, the greater the percentage of his overall health bills that will be paid by the federal government. For an individual in the 70% bracket, the government pays \$70 out of each \$100 of medical bills above the deductible amount. However, the government pays only \$25 for a taxpayer in the 25% bracket.

In effect, we are running an "upside down" national health insurance plan through the tax laws. Virtually all those who itemize medical expense deductions do so because of their home mortgage interest and property tax deductions. Thus, the national health insurance program run through the medical expense deduction in the tax laws could properly be labeled the "National Catastrophic Health Insurance Program for Upper Income Homeowners."

A joke, perhaps. But the joke is on the taxpayer. I therefore propose that the medical expense deduction be phased out over a period of five years by increasing the present 3% floor, commencing the year a national health insurance program is enacted into law.

b. Homeowner Mortgage Interest and Property Taxes. The present deductions for homeowner interest and property taxes have the same upside down characteristic as the medical expense deduction. In effect, the federal government makes a portion of each such payment for the homeowner; the government's share is determined by the homeowner's tax bracket. The following table reflects the present tax subsidy for home ownership.

\$1,000 Interest and Taxes

Tax bracket	Home-owner's share	Government share
20 percent.....	\$800	\$200
40 percent.....	600	400
50 percent.....	500	500
60 percent.....	400	600
70 percent.....	300	700

Homeowners whose interest and taxes are below the standard deduction (\$3200 for a married couple) are ineligible for the pro-

gram and must pay the full \$1000 out of their own pockets.

As a nation, we want to encourage home ownership. But a program that automatically excludes 75% of the people from participation and provides the greatest aid to the richest families is indefensible.

I therefore propose that the deductions for mortgage interest and property taxes be converted to a tax credit that will be available to all homeowners for their principal residence. The tax credit will substantially eliminate the upside down effect of the present deductions and provide substantial additional tax benefits to low and middle income homeowners. The new credit will be available to those using the standard deduction implicitly contained in the zero bracket, so that it will assist young families as they seek to purchase their new—and increasingly expensive—first homes. The amount of credit will be a flat percentage of the taxpayer's home mortgage interest and property taxes. The percentage will be set at a level to produce the same overall revenue loss as the present deductions—about 10 billion at fiscal 1977 levels.

In addition, the change should be prospective—it should apply only to residences acquired after July 1, 1977, to avoid the disruption of settled homeownership arrangements for those who have acted in reliance on the present system.

c. Charitable contributions. The deduction for charitable contributions is the principal means by which the federal government encourages and supports individual giving to public and private charities: I strongly support this objective.

But there are two major defects in the structure of the present charitable deduction. It is unfair and it is in danger of being squeezed out of existence. Both of these problems can be remedied by appropriate action.

The unfairness is clear. The charitable contribution deduction is basically a federal matching grant program. As with the other itemized deductions, the extent of the government share is a function of the donor's tax bracket. Since the deduction is available only to itemizers, there is no incentive to charitable giving for the 75% of taxpayers who do not itemize their personal deductions.

The following schedule shows the federal matching grant made available through the deduction to donors in various tax brackets for each \$1 of their own private after-tax funds given to charity:

Donor's Tax Bracket	Owners Out-of-Pocket	Gift (net of deduction)
Standard deduction.....	\$1	\$0.0
Itemizers:		
20 percent.....	1	0.25
25 percent.....	1	0.33
40 percent.....	1	0.67
50 percent.....	1	1.00
60 percent.....	1	1.50
70 percent.....	1	2.33

In each case the donor has given precisely the same amount from his own pocket. Yet the government share goes up because of the donor's tax bracket, not because he has increased the size of his own gift.

Data prepared for the Filer Commission reveal that in 1971, donors using the standard deduction gave almost \$3.5 billion to charity. These gifts were entirely from their own funds, with no tax deduction provided. One-half of one percent of the population—the richest Americans—also gave about \$3.5 billion to charity in 1971. But only one-third of this amount represented the private funds

of these wealthy donors; the other two-thirds was the government share made available through the charitable contribution deduction. This situation is simply not defensible from the standpoint of basic fairness.

Moreover, reliance on the deduction as the principal means of encouraging charitable gifts is a dead end street for charities. These are two tax trends that are continually reducing the scope of the deduction:

At one end of the income scale, the standard deduction is constantly increasing, thereby eliminating more and more people from the incentive program.

At the other end of the income scale, there is strong pressure to reduce the top tax bracket to 50%, with reductions throughout the income scale. The result is to reduce the potency of the incentive provided by the tax deduction (as the above table demonstrates).

Thus, the current tax trends are adverse to the charitable contribution deduction as an effective incentive to encourage private gifts to charity.

If, in the 1978 legislation, Congress reduces tax rates and adopts other reforms, charity is a clear loser in terms of federal funds it is now receiving through the deduction. Only if a totally different method of encouraging charitable giving is adopted can charity be assured of continued and badly needed federal incentives to private giving.

I therefore recommend a major change in the federal system of encouraging private philanthropy. The present charitable contributions deduction should be replaced by a flat tax credit for all charitable gifts. The credit could, for example, be set at 30% of the taxpayer's gift and would be available to all donors, whether or not they use the standard deduction. This credit will provide the same \$6 billion in federal funds to charity as is presently involved in the deduction; more important, the credit will insure continued and increasing federal support for charity. Under this system, every person's gift would be matched by the same percentage federal matching grant, regardless of the donor's tax bracket.

To insure ease of administration, it may be necessary to employ an annual "qualifying contributions" level, and provide the tax credit only for contributions in excess of that level. Under this approach, small contributions—determined on the basis of a flat dollar amount or a percentage of adjusted gross income—would not generate a tax credit; taxpayers would not have to keep records of small contributions, and the IRS would incur no audit responsibilities for such contributions. The qualifying contributions level, if necessary, would be established after consultation with IRS officials, in order to determine the optimal level from the standpoint of ease of administration and the fairness of the credit program.

The use of the tax credit technique as an incentive for charitable contributions would remove the program from the vagaries of tax rate changes and standard deduction increases. This proposal would achieve greater fairness and a more rational nationwide program to stimulate private charitable contributions. It will obviously require readjustment in the strategy of solicitations by institutions that currently rely on large contributors. But that readjustment will be necessary in any event because of other changes coming in the tax laws. And I believe the tax credit route will provide greater benefits for all charities than the current unfair system.

d. Other Itemized Deductions. The balance of the itemized personal deductions should be repealed. These include principally the gasoline tax deduction, the deduction for state and local taxes (other than property taxes on homes), and the deduction for consumer interest, but other minor deductions would be repealed as well:

The gasoline tax deduction should be repealed as part of our national energy plan.

The deductions for state and local taxes are actually crude forms of revenue sharing, and they should be integrated into the regular revenue sharing program. The deductions should therefore be phased out over a five-year period, commencing with the year in which the present revenue sharing system is extended. The increased tax revenues could, if Congress desires, be added to the direct revenue sharing funds, so that state and local governments could reduce their own burdensome and usually regressive taxes.

The deduction for consumer interest is available only to a privileged few consumers—the upper income 25% who presently itemize. Repeal of this deduction would promote fairness and simplicity.

e. Effect of Itemized Personal Deduction Proposals. When fully implemented, the above proposals would markedly increase the fairness of the individual income tax system and would result in overall simplification. The present itemized deductions ultimately would be replaced by only two tax credits—one to encourage homeownership and one to encourage charitable contributions. The balance of the deductions would be phased out, and the revenues used to fund direct programs in appropriate cases. As a result, the tax forms and tax record-keeping would be greatly simplified, and needed national programs would be made fairer.

C. Preferential treatment of income

1. Capital Gains at Death. The most serious defect in our present income tax system is the failure to tax gains on property transferred at death or by gift. The Tax Reform Act of 1976 improved the situation somewhat, by eliminating the former tax exemption for such gains. Under present law, heirs or donees must carry-over the same basis which the property had in the hands of the original owner. However, no taxes are imposed on the gain until the property is ultimately sold. As a result, tax on the gain can be deferred indefinitely. The effect of the carry-over basis rules enacted in 1976 is to create a pronounced lock-in effect for owners of low basis, high appreciation property.

Implementation of capital gains at death is an essential prerequisite to reduction of the top marginal rates to 50%. The Treasury's Tax Reform Studies and Proposals issued in 1969 revealed that a significant number of taxpayers derive dividend income each year in the hundreds of thousands—or in some cases, millions—of dollars. Yet, these same taxpayers paid little or no capital gains taxes. These individuals simply held on to their highly appreciated corporate stocks and passed them on to their heirs, without ever paying tax on the gain.

This same situation can be expected to continue under the current carry-over basis rules. Thus, a reduction in the top rate of tax on dividends from 70% to 50% would constitute a large tax reduction for these individuals, with no compensating tax on their capital gains. Therefore, before we should even contemplate a reduction in the top tax rate to 50%, we must adopt a tax on gains at death or by gift.

As under prior proposals I have advanced, an exemption would be provided for gains on property transferred between spouses. In addition, liberal averaging rules would be provided.

Some charitable institutions rely today to a significant extent on gifts of appreciated property. I considered two different approaches to this issue in formulating these comprehensive tax reform proposals. First, the itemized deduction for charitable contributions could be retained, but the appreciation in value of the property would be regarded as income, subject to tax. Second, the deduction could be converted to a tax credit, but the gain in value of the property would not be subject to tax.

I have chosen the second approach, because it provides greater benefits than the first approach for donors of appreciated property, and hence greater protection for institutions, notably colleges and universities, that rely on gifts of appreciated property. Therefore, under the proposal, a donor of appreciated property will receive a tax credit equal to 30% of the fair market value of the property, and, as under present law, will incur no tax on the appreciation in value of the property.

2. Interest on tax exempt bonds. Two major types of tax-exempt bonds are currently marketed—general purpose state and local bonds and industrial development bonds. Both types of bonds have been revealed by several studies to be highly inefficient and wasteful. And the existence of tax-exempt interest prohibits us from achieving any truly fair tax system in which income from all sources is subject to taxation. However, different actions are required with respect to the two categories of tax-exempt bonds.

With respect to industrial development bonds, the various exemptions provided in 1969 should be repealed and the interest on all such bonds issued after July 1, 1977, should be fully subject to federal income tax.

In 1976, the total volume of bonds issued under each of two of the industrial development bond exemptions—hospital bonds and pollution control bonds—exceeded the total of all types of industrial development bonds issued in 1968. Thus, the exemptions created in the 1969 Act now exceed the total of the problem that existed before Congress acted in 1969. It must be kept in mind that these bonds are not for the benefit of state and local governments, but are solely for the benefit of private, profit-making businesses. There is no justification in tax fairness for continuing the exemptions. The existence of the exemptions constitutes a wasteful and artificial subsidy to reduce the building costs of private industry.

As to general purpose bonds, a direct federal interest subsidy is needed to supplement the tax exemption technique. Increasingly, state and local officials recognize the need for this additional financing technique. I hope that Congress will adopt the taxable bond option subsidy that I have introduced as a supplement to the tax exemption for general purpose state and local bonds. I am confident that the taxable interest subsidy will prove attractive to governors, mayors, and other local officials.

3. Withholding on Interest and Dividends. To insure that all taxpayers report and pay their proper taxes on interest and dividend income, we should institute withholding on interest and dividends paid by major borrowers—notably corporations, banks, governmental units and insurance companies. There is a significant gap between amounts paid and amounts reported for tax purposes each year. This gap must be filled to insure that recipients of dividends and interest pay tax on the same current basis as wage earners.

D. Tax treatment of the family

A number of distinct but interrelated problems have emerged in our tax treatment of the various family units. Some are concerned with the disparity in tax treatment between single persons and married couples. Others see present rules as imposing a "marriage penalty" where both spouses work. Still others see the rules as creating a tax preference for married couples where only one spouse works outside the home. Present law deals with these problems in a manner—or more accurately, in a variety of ways—that is satisfactory virtually to no one.

I believe that these various issues can be resolved in a way that will produce a simplified and fairer tax system for all family units, regardless of size, work characteristics, or number of dependents.

I recommend that the following actions be taken:

1. A single, unified rate schedule will be used by all taxpayers, whether single, married or head of a household.

2. To insure fair treatment among married couples, joint returns will be filed by all married persons.

3. A special tax credit will be provided for two wage earner families and heads of households with dependents.

4. The present basic personal exemption of \$750 will be converted to a tax credit equal to \$200-\$250.

The above proposals would accomplish several objectives:

First, married persons will pay tax under the same rate schedule as single persons.

Second, two wage earner families and two single working persons contemplating marriage will incur a similar level of tax liability by virtue of the special tax credit for two wage earner families. The marriage penalty would thus be eliminated.

Third, one wage earner married couples would receive the benefits of the reduced tax rates I have proposed.

Fourth, taxpayers in low and middle income groups would receive tax reductions, as a result of changing the personal exemption to a tax credit.

I believe that the proposals outlined above would constitute major steps toward fairer and more simple tax treatment of all family units in the United States.

E. Tax aid for dependent children

Present law also grants a \$750 personal exemption for each dependent. This is a modest allowance primarily intended to help families meet the costs of raising children. I strongly favor the objective. But tax exemptions are an unfair way to provide the needed family assistance.

The value of the present dependent's exemption is a function of the family tax bracket. A child produces \$525 in tax benefits for the 70% tax bracket family; \$375 for a 50% bracket family; \$150 for a 20% bracket family; only \$105 for a 14% bracket family; and nothing for a family that is below the taxable income level without the exemption.

Congress would never approve a system of direct children's allowances structured in this unfair way. And we should not tolerate such unfairness within the present tax system.

I propose that the present dependents' exemptions should be replaced by a tax credit of \$200-\$250 per dependent. In addition the credit should be refundable to families for whom the credits exceed tax liability.

This action will provide needed tax relief for low and middle incomes families; it would remove from the tax system the implication that children of wealthy families are "worth more" than children of lower income families; and it would insure that poverty level families receive the same allowance for children as families with tax liability.

V. CORPORATE AND BUSINESS TAXATION

In the area of corporate and business income taxation, the three themes—fairness, simplicity and efficiency—are applicable, but in different contexts and with different emphases than in the individual income tax.

A. Proposals to stimulate capital investment

To insure a continued, steady growth in our productive capacity, I urge the adoption of the following measures to stimulate investment and production in the private sector:

Provide an additional 5% investment tax credit for incremental investments above an average figure based on the capital investments by the taxpayer for the three preceding years.

Make the entire 15% investment credit (basic 10% plus incremental 5%) refundable so that taxpayers who have little or no tax liability—including qualifying tax exempt organizations—can benefit from the investment subsidy.

Reduce the top corporate rate to 45%.

Increase from \$3,000 to \$9,000 the amount of losses from the sale of investment assets that can be deducted by an investor against his ordinary income.

1. Incremental and Refundable Investment Credit

The investment tax credit has emerged over the past 15 years as a most effective tool to stimulate investment in productive capital assets. The two principal problems with the credit as presently structured are (1) that it is not as efficient as it should be in producing increased investment comparable to the federal revenue expended, and (2) that small and new businesses and the tax exempt sector of our economy either are excluded from or derive little assistance from its benefits.

The revisions I propose will permit the investment tax credit more fully to realize its potential as an effective fiscal tool. The utilization of an incremental investment credit will increase the efficiency of the credit. A Library of Congress study last year examined the various techniques for stimulating increased investment by U.S. business. An incremental and refundable investment credit was found superior to other methods such as more rapid depreciation.

I am not recommending that the entire investment credit be placed on an incremental basis. But it is important that we employ the incremental technique when we raise the credit above the 10% figure. Any increase in the 10% rate on a flat basis runs the risk of substantial inefficiency—as the data last spring revealed with respect to the inability of firms to utilize currently the full benefits from increasing the rate from 10% to 12%. Retention of the present 10% rate will insure that no major disruption in investment planning will occur. Use of an incremental approach for an increase in the credit to 15% will insure that a marked stimulus is offered to increased investment—and hence increased employment.

The second major change in the investment credit—to make it refundable—is designed to structure the credit in a fairer manner and to insure that many who could make significant investments are not discouraged from doing so by the artificial limits now contained in the credit mechanism. Under present law, a taxpayer can utilize the investment credit only to the extent of 50% of tax liability in a given year. (Any excess can be carried back three years and forward five years). This limit effectively eliminates from the program most new and many small businesses, as well as businesses that are in parts of the country or in industries that have suffered from prolonged adverse economic conditions. It also excludes non-profit institutions such as hospitals, colleges and universities. These elements of the private sector all have one thing in common: They do not incur tax liability, if any, in amounts sufficient to utilize the investment credit. But they are also all potential or actual purchasers of capital equipment and they employ millions of people across the country.

If Congress had decided to implement the current investment subsidy as a direct grant program run by the Commerce Department, it would not have occurred to us to require the existence of tax liability to the Treasury as a precondition for obtaining the government subsidy. Indeed, we have in place direct federal programs to assist in capital construction, and the tax status of the recipient is not a relevant factor in any of them. Some are specifically for charitable

organizations such as hospitals, colleges and universities. The fact that we decided to run the government's principal investment subsidy program through the tax system does not of itself provide any convincing reason to exclude from the program businesses and institutions that would not have been excluded had the program been conducted through direct government grants.

I am aware of the concern of some economists that a refundable investment credit may provide a subsidy to poorly managed or inefficient businesses. This concern can be met by requiring the Treasury to monitor the refundable feature and report to the Congress whether these fears are being realized. If so, the refundability feature could be modified by, for example, a provision that denied the refund to an established business that has experienced habitual losses. Such a technique could be used to distinguish the poorly run firms from those that are the victims of economic conditions beyond their control.

I am convinced that a refundable and incremental investment credit would provide the most equitable and efficient stimulus to capital investment. Per dollar of revenue loss, it would provide the most effective incentive for new capital formation of the proposals currently under consideration.

2. Reduction of Corporate Tax Rate From 48 Percent to 45 Percent

The proposed changes in the investment credit are primarily directed toward small businesses, newly created firms, expanding companies, and the non-profit sector. To help the large numbers of other firms, it is also appropriate to provide a reduction in the top corporate tax rate from 48 percent to 45 percent. This change will primarily benefit large corporations. It is justified, I believe, because of the changes in the individual tax rate schedule and the reforms in the corporate tax preferences that are discussed below. Historically, the top corporate rate has been somewhat below the highest individual tax rate. With the proposed reduction in individual rates to a top marginal rate of 50 percent, a reduction in the top corporate rate is also appropriate. Moreover, the elimination of inefficient tax subsidies enables us to provide a lower corporate rate that is applied to more realistically defined corporate profits.

3. Increase in Limit on Deduction for Investment Losses

Under present rules, net capital losses may be deducted by individual investors against ordinary income only to the extent of one-half of those losses; the deduction is also subject to a maximum deduction of \$3,000 each year. Thus, \$6,000 in net capital losses are required to generate the maximum deduction.

These limitations are necessary because of the preferential treatment given to capital gains under current law. Since only one-half the gains are taxed, deductions may be allowed for only one-half the losses.

With the removal of the preferential treatment of capital gains, the limitation on the deductibility of net capital losses may be considerably relaxed. I propose that net capital losses be deducted in full up to a maximum limit of \$9,000 each year. The net capital losses may be deducted dollar for dollar against ordinary income.

Tripling the limit on the deduction of net investment losses should be a substantial boost to entrepreneurial and risk investment. Many economists feel that liberal loss deduction rules are a more potent incentive to risk-taking than is the preferential treatment for capital gains. By increasing the loss deduction, we can achieve a major gain in fairness and provide a powerful economic stimulus to job-generating investment activity.

B. Repeal of tax preferences

The favorable changes in business and investment taxation that I am recommending can be adopted only if at the same time Congress eliminates the existing inefficient and unfair tax preferences that apply primarily to corporate and investment activity.

I propose the following major reforms in this area:

Repeal of the Asset Depreciation Range (ADR) system of depreciation.

Complete repeal of percentage depletion.

Repeal of the preferential capital gain rate for corporations.

Requirement of accrual accounting for all farm corporations with gross sales of \$2 million or more per year.

1. Repeal of ADR

The ADR system is a technique of accelerated depreciation unwisely adopted by Congress in 1971 at the urging of the Nixon Administration. This system permits a business to reduce artificially the expected useful life of its assets and then take depreciation deductions based on the shorter life. ADR is a radical departure from traditional and sound tax and accounting principles, which require deductions for depreciation to be taken over the actual useful life of an asset in order accurately to reflect the taxpayer's income. The ADR-permitted 20% deviations from guideline lives should be repealed and we should return to sound tax depreciation principles.

In addition to the distortions in tax accounting produced by ADR, the system also is seriously deficient as an effective incentive for capital investment. The comparative Library of Congress study in 1976 on tax incentives for capital formation found that accelerated depreciation rules such as ADR are highly wasteful, and produce far less in capital investment than is lost by the Treasury in revenues.

It was a mistake to adopt ADR in 1971 and it would be a mistake to fail to repeal it as part of a comprehensive tax reform bill.

2. Complete Repeal of the Percentage Depletion Deduction

The time has come for Congress to complete the job begun in 1975 and repeal the balance of percentage depletion for all minerals. Recent studies of the problem have revealed the inefficiency of the deduction as a method of encouraging exploration for and development of natural resources. And there is no more pernicious symbol of tax unfairness than percentage depletion.

My recommendation for complete repeal of percentage depletion is buttressed by the recently released report by the prestigious National Commission on Supplies and Shortages, whose membership included former Secretary of the Treasury William Simon, Senator Brock, L. William Seldman, former Assistant to the President, Alan Greenspan, James T. Lynn, former Budget Director, and other distinguished and knowledgeable citizens. After reviewing the available evidence on the subject, the Commission recommended across-the-board repeal of the percentage depletion deduction:

"In the absence of compelling evidence for its continuation, the Commission recommends the repeal of the percentage depletion allowance for minerals . . ."

Cost depletion would, of course, be continued.

3. Repeal of Preferential Capital Gains Rate For Corporations

A special 30% rate of tax is presently made available to corporations on their "capital" gains. As a conceptual matter, it has always been difficult to see why a business corporation should have a special rate for some kinds of gains realized by it in the conduct of its business.

With the repeal of the capital gains pref-

erence for individuals and the reduction of the corporate tax rate to 45%, there is no justification for continuing this tax preference. The goals of fairness, simplification and efficiency will all be advanced with this action.

The timber industry, of course, has relied on this tax preference in a special way. The preferential treatment thus granted to timber was severely and tellingly criticized in the 1968 Treasury Tax Reform Studies. The Report of the National Commission on Supplies and Shortages also questioned whether it could be justified. The timber industry has frequently argued that its capital gain preference was an offset to the percentage depletion deduction made available to other natural resources. But that purported justification disappears with the complete repeal of percentage depletion.

Nor does the capital gain preference encourage conservation efforts. The tax benefits are available regardless of the presence or absence of sound conservation practices. If federal assistance is needed in timber conservation the timber companies should work with the Interior and Agriculture Departments to develop effective, regulatory and/or direct financial assistance programs.

Fundamentally, there is no persuasive reason why the timber industry should not pay ordinary income tax rates on its profits, like any other business. The existence of the capital gains preference artificially distorts the profit picture of the industry and thus promotes the inefficient allocation of economic resources; it also produces blatant tax unfairness.

4. Accrual Accounting For Large Farm Corporations

The Tax Reform Act of 1976 began the movement to bring large farm corporations onto the same accrual accounting method that is required of all other comparable businesses. The basic policy of Congress is clear: The cash method of accounting should be reserved only for small, family farmers for whom the somewhat more complex accrual methods might prove a burden.

The 1976 Act, however, contained some unwise exceptions to the accrual accounting requirement imposed on large farm corporations. These exceptions are major flaws in the Congressional policy, since they permit farm corporations that are neither small nor family controlled to continue to qualify for the cash method of accounting. Congress moved in the wrong direction here in 1977, by expanding the 1976 loophole to accommodate two of the largest chicken farms in the nation. It is time to undo this damage, and establish a coherent rule for all such operations.

To insure that the cash method is reserved to the true "small" farmer, I propose that the various exceptions to the accrual accounting requirement for farm corporations be repealed. In their place, an exception should be enacted for all small farm corporations with annual gross sales of less than \$2 million. This rule will permit over 95% of all farm corporation tax returns to continue on the cash method of accounting. But large farm corporations would be required to shift to the accrual method to reflect their income properly for tax purposes.

C. Proposals that should be rejected: partial integration of corporate and personal income taxes; basis adjustments for inflation; and value added tax

In recent months, the press has contained reports of other proposals advanced from various quarters that have as their ostensible purpose the stimulus of capital formation. Most prominent among these are proposals to integrate *partially* the corporate and personal income taxes, to provide a basis adjustment for capital assets that would reflect inflation during the period of time

the asset was held, and to enact a value added tax. All of these proposals should be rejected by Congress.

1. *Partial Integration.* Partial integration of the corporate and personal income taxes is an idea that is bad for business, bad for the tax system, and bad for the average taxpayer. It would introduce a whole new level of unacceptable complexity into our income tax system with no offsetting gains—and indeed there would be substantial losses—in tax fairness and capital formation.

From the standpoint of tax fairness, partial integration of corporate and personal income taxes is purely and simply tax relief for dividends. Over two-thirds of the dividends received by individuals in the United States go to those who comprise the top 10% of income recipients. Tax reduction for dividends, therefore, reduces progressivity by giving selective tax relief to those with the highest incomes. This special relief is made unnecessary by my proposal to reduce the top individual tax rate to 50%, and to reduce all brackets below that rate—an action that provides equitable, across-the-board tax reductions to everyone, regardless of the source of income.

Moreover, partial integration produces rather than resolves problems of capital formation. Under the partial integration techniques most frequently advanced, tax relief is available only if a corporation distributes its earnings in the form of dividends. Firms that desire to retain earnings are therefore put under tax pressure to declare dividends, even if this action would not otherwise be in the best interests of their shareholders. Partial integration also creates substantial problems as to the proper treatment of dividends received by tax-exempt organizations and pension funds and as to its application in international transactions. A recent study of partial integration systems adopted in Western European countries has revealed that partial integration has failed to achieve any of the objectives sought to be achieved by those countries except one: the discouragement of investment from abroad. But discouraging investment from abroad is not a U.S. policy. And economists are virtually unanimous that partial integration will not achieve the objective of more capital formation. Business people, as they devote increasing study to the partial integration schemes, are reaching the same conclusions.

I am aware that the Treasury has been studying partial integration as one option for the President to consider. I sincerely hope that that option will be rejected by the Treasury and by the President. I am strongly opposed to inclusion of partial integration in a tax reform bill. I believe that objective analysis will reveal that the proposals I have advanced above will provide fairer and more efficient stimuli to business and investment actions than partial integration.

2. *Basis Adjustment.* I am likewise strongly opposed to suggestions that have been advanced to provide a *basis adjustment* to reduce the gain on the sale of assets purported to be attributable to inflation. The issue of inflation adjustments is one that impacts on many areas of the Internal Revenue Code.

A selective inflation adjustment that would benefit only those owning stocks, real estate, and other similar assets cannot be justified. If we are going to start anywhere with inflation adjustments, let us start by providing annual deductions for the losses that the average low and middle income taxpayer realizes as the value of his savings account is reduced each year as a result of inflation. Inflation also affects those who own debt instruments such as U.S. Savings Bonds, corporate bonds, municipal bonds and the like. In fairness, an inflation adjustment would have to be provided to them also. Similar problems arise with respect to inventory adjustments and depreciation allowances.

But is there any persuasive evidence that we need to start down the road of indexing the tax system for inflation? Economists who have looked at the matter have generally concluded that the rate of inflation being experienced in the United States does not warrant across-the-board indexing of our tax system. Indeed, indexing, in the view of many economists, could have an adverse effect on our fight against inflation and accelerate the very inflation we are trying to bring under control.

Thus, there is no case for selective inflation adjustments for owners of capital assets. And there is little evidence that this is an appropriate time for the U.S. to consider indexing the entire tax system for inflation. I strongly oppose any proposals to introduce inflation adjustments into our tax system.

3. *Value Added Tax.* Another suggestion that should be rejected is the value added tax. The VAT is just a national sales tax in fancier clothing. There are many objections to such a proposal. First, it is a sales tax and thus impinges on a tax that is widely used by state and local governments. This is not the time for federal preemption of a major source of local government revenues.

Second, if VAT is going to be a "simple" system it will be unfair. If it is going to be progressive, it will be complex. There is simply no need for adding one more tax to the federal structure within which the vested interest lobbyists will start burrowing new loopholes.

Third, the tax is not easy to administer and will add new collection and audit burdens on the already over-extended IRS. Anyone who has lived in Europe for any time knows that the VAT is widely ignored in daily transactions and there is little that IRS tax administrators can do to control the tax avoidance. Finally, shifting to VAT could ease the pressure to accomplish our principal task: To produce a fairer, more simple and more efficient income tax system.

D. Tightening of expense account living rules

One area of the tax laws that is a source of substantial irritation to the average taxpayer concerns expense account living. Wherever one turns one sees high living consumption of the best food from the finest restaurants, occupancy of the best seats in the ball park, and use of the most expensive hotel rooms by the most over-privileged group in our country—the expense account livers. There are few more vivid symbols of the disgrace of our current tax laws than the martini lunch, the first class fare, and the front row seat.

I have no objection if a business wants to provide expense accounts to allow its executives and employees to live a life of luxury, one that is beyond the reach of the overwhelming majority of our average income citizens. But what I do object to is that these same citizens are required to pay for the expense account life because corporations and businesses take deductions for the costs incurred to provide these personal perquisites.

I therefore propose major changes to insure that if business wants to provide luxury living to their executives they do it with their own funds—hopefully scrutinized more carefully by their shareholders—and not with tax deductible dollars.

My proposals include:

1. No deductions for the portion of airplane tickets attributable to first class air fare, and strict controls by the IRS to prevent the abuse of corporate jets.

2. No deductions for the costs of tickets to sporting events, night clubs, theaters or similar entertainment, including luxury boxes in arenas or stadiums.

3. No deductions for dues at country clubs or private clubs, or for entertainment on yachts or at other vacation retreats.

4. Deductions for attending conventions should be limited to necessary travel, the government per diem rate for the area, and registration costs (excluding costs attributable to food and entertainment).

5. Deductions for out-of-town food, lodging and business entertainment should be limited to the government per diem allowance for the area.

6. No deductions for "business" meals—everyone has to eat and the cost of food should not become deductible because a few business phrases may happen to emerge from the martini haze.

The above changes are substantial and far reaching. They will change the life styles of many who have become accustomed to receiving Treasury subsidies for their personal living expenses. But the changes will go a long way toward restoring tax fairness and eliminating a gross inequity in our democratic society.

VI. TAXATION OF INTERNATIONAL TRANSACTIONS

In 1975 and 1976, Congress gave considerable attention to the tax rules that apply to U.S. individuals and corporations carrying on business, investing or working outside the U.S. Unfortunately, as in other areas, the changes adopted were of a piecemeal nature. The result was incomplete reform and unnecessary complexity. I propose that we complete the job to simplify, make fairer and more efficient the U.S. international tax rules by:

—Repealing DISC.

—Repealing the tax deferral on earnings of U.S. controlled foreign subsidiaries.

—Repealing the exclusion for income earned abroad by U.S. citizens.

A. Repeal of DISC

At the conclusion of the Senate debate on the Tax Reform Act of 1976, the clear winner in the contest for the tax preference with the least justification was DISC. Study after study revealed its inefficiency as a means of increasing exports and its irrelevance in a world of fluctuating currencies. Significantly, in the first objective study of DISC by the Treasury released this spring, no claim was made that DISC created any jobs, and no dollar amount of increased exports was claimed. What emerged clearly was a picture of a \$1 billion annual giveaway to upper levels of the Fortune "500", as a supposed incentive to conduct the export operations they would have undertaken in any event.

Congress in 1976 retained two-thirds of DISC as the result of specious arguments advanced by former Treasury and Commerce Department officials and a massive, jet-powered lobbying effort by big business. But now, with the support of an objective Treasury Department, I trust that DISC can be interred for good in the next tax reform bill. I recommend that repeal of DISC be accomplished with a 10-year spread forward of the increased taxes that would accompany repeal.

B. Repeal of tax deferral on earnings of U.S. controlled foreign subsidiaries

A U.S. corporation that decides to conduct a separate business activity has a choice of four forms of conducting that operation: (1) a U.S. branch or division; (2) a U.S. subsidiary; (3) a foreign branch or division; or (4) a foreign subsidiary. The impact of the U.S. income tax is identical as to the first three forms—the U.S. imposes a single corporate tax on the current earnings of the operation whether those earnings are actually paid over to the parent company or not. But if the fourth method is adopted—the controlled foreign subsidiary—the U.S. defers its corporate income tax until the subsidiary's earnings are returned to the U.S. The financial benefit is determined by the difference between the U.S. corporate tax rate and the rate applied, if any, in the country in which the subsidiary is operating.

The unfairness created by tax deferral for U.S. controlled foreign subsidiaries is thus obvious. But the provision has important economic effects adverse to U.S. interests. The only way a company can obtain the benefits of tax deferral is to invest funds abroad and keep the earnings generated by those funds out of the U.S. In a time of capital needs in the U.S., this is the wrong result. While we do not wish to create artificial tax barriers to investment abroad, it certainly makes no sense to continue tax incentives to encourage businesses to export and keep abroad capital needed in the U.S.

I do wish to emphasize three technical aspects of my proposal to tax currently the earnings of U.S. controlled foreign subsidiaries. First, earnings and profits of all foreign subsidiaries will be computed on a consolidated basis.

Thus losses in one country can offset earnings in another. Second, the foreign tax credit will be fully available where foreign taxes have been paid on earnings taxed to the U.S. parent under my proposal. Third, the change will be phased in over a period of 5 years.

C. Repeal of exclusion for income earned abroad by U.S. citizens

The 1976 Act also modified the exclusion from income enjoyed by some U.S. citizens working in foreign countries. However, up to \$15,000 can still be tax-free to a U.S. citizen working abroad. On tax fairness grounds, it is impossible to justify a rule that taxes in full the first \$15,000 of a worker's earnings if he works in the U.S., but imposes no U.S. tax at all on that income if he works in another country.

The 1976 Act did reduce the benefits of the tax exemption, but the result was reached by an excessively complex technique.

We should simply repeal the exclusion outright and allow a full foreign tax credit for taxes paid to the country in which the U.S. citizen is working. This is the only action that will achieve complete tax fairness between U.S. citizens working here and those working abroad.

I have considered carefully the arguments advanced for continuing the exclusion. Some argue that the exclusion is needed because of higher housing and educational costs in some countries, especially developing countries. (One may note that housing costs more in Washington, D.C., than in many other states, but no one argues that government employees coming to serve in Washington should get a tax exemption because of that fact.) At bottom, proponents of the exclusion are really arguing that U.S. interests require that we subsidize housing and education costs for U.S. workers abroad.

Whether this is so or not is a matter that should be presented to the Commerce Department for its consideration. If substantial subsidies are warranted, they should be provided by direct grants. In this way the allowances could be tailored so that financial help could be given to employees of particular businesses in specified countries and for specified costs, the subsidization of which would further U.S. interests. The revenue cost would be far less than the scatter gun approach of a tax exclusion, the aid would be targeted more efficiently, and there would be no impairment of tax fairness.

VII. WEALTH TRANSFER TAXATION

The Tax Reform Act of 1976 contained the most sweeping changes in our system of taxing wealth transfers that had been enacted in 30 years. In large measure the direction of those changes was desirable. However, because of the hasty and unusual procedure followed in enacting the estate and gift tax provisions, there were gaps in the bill and mistakes were made in some of the policy judgments. I believe it is important that we recognize that the 1976 Act was not the final—and in many respects not the desir-

able—word on reform of our wealth transfer tax system.

Without going into detail, I do want to outline those areas that merit further attention by the Treasury and the Congress. Some of the proposals could be effected quickly; others indicate areas requiring further study.

A. Estate and gift taxes

1. Full Unification of Estate and Gift Taxes

The 1976 Act provided a unified rate schedule for the estate and gift taxes. But the taxes themselves were not fully unified. Different rules still apply depending on whether the transfer is by gift or at death.

The most notable difference is that taxable transfers by gift more than three years before death do not include the amount of the gift tax itself. On the other hand, the tax base for gifts made within three years of death and for transfers at death includes the amount of the transfer tax. In effect, a deduction is granted for the taxes paid on certain transfers, but not others.

In addition, there are a number of instances in which one set of rules applies to a transfer during life, but a different set of rules applies if the same property is transferred at death.

These discrepancies should be eliminated and a fully unified transfer tax structure adopted.

2. The Increases in the Exemption Level Should be Stopped at \$120,000

The Congress in 1976 unwisely approved an increase in the transfer tax exemption level from \$60,000 to \$175,625 by 1981. This will mean that the transfer taxes will apply to less than 2% of decedents dying each year. Even at the \$60,000 level, only 7% of decedents' estates incurred any estate tax each year.

The tripling of the exemption level in the 1976 Act was not justified. If anything, the \$60,000 figure was too high. But I recognize that it is difficult to turn the clock back.

I therefore propose that the scheduled increases in the unified transfer tax credit be halted after 1977. This will produce an exemption level of about \$120,000, a figure that is more than adequate to exempt "small" estates from transfer taxation.

3. Provision of an Unlimited Marital Deduction

The 1976 Act increased the marital deduction, but stopped short of providing the full exemption of transfers between spouses that should be adopted.

Increasingly, we are recognizing that the efforts of both spouses inextricably contribute to the accumulation of a family's wealth. No transfer tax should be imposed until the death of both spouses and the property passes on to the next generation. By judicious use of existing tax rules, many well advised couples can now achieve this result.

But an unlimited marital deduction should be a matter of right, not of expert tax planning. I therefore propose that an unlimited marital deduction be adopted.

4. Modification of Tax Preferences

The following tax preferences should be modified or repealed:

a. The premium payment test should be reinstated to tax life insurance policies in the estate of any insured who pays the premiums on the policy or possesses any incident of ownership in the policy; this will prevent the avoidance of tax on life insurance policies that is presently possible even though the insured pays all the policy premiums.

b. The exclusion for certain payments from qualified retirement plans should be repealed.

c. The 5% reversionary interest requirement in section 2037, concerning transfers taking effect at death, should be repealed.

d. The charitable contributions deduction should be converted to a tax credit (for reasons similar to those outlined above concerning the income tax deduction).

e. The \$3,000 annual per donee exclusion should be converted to a tax credit available only to exempt gifts up to \$1,500 per donee each year. The credit should not be available for gifts in trust and should phase out as gifts exceed \$1,500 to any donee in a year.

f. The orphans' deduction should be repealed; it benefits only children of the wealthiest families. A national program of financial aid to orphans is important, but it must be structured to benefit the neediest orphans most and the wealthiest the least.

B. The generation-skipping tax

The 1976 Act did include a long-needed rule to impose a tax on certain transfers of property that skip generations. Unfortunately, the provisions adopted contain gaping loopholes that probably make the tax a nullity for extremely wealthy families, the very group that makes the greatest use of generation-skipping transfers. Congress adopted the current policy, but the technical implementation of the policy was almost fatally defective.

The following changes are imperative to make the generation-skipping tax effective in insuring that a transfer tax will be imposed on property as it passes from generation to generation regardless of the form of transfer selected:

1. The tax must apply to any transfer—whether outright or in trust—that skips a generation.

2. The tax must apply to generation-skipping transfers of trust income as well as of trust principal.

3. The \$250,000 exemption for generation-skipping transfers to grandchildren must be repealed.

4. The tax must apply if a generation is skipped, whether or not an intervening generation has an interest in the property transferred.

5. The transition rule adopted in 1976 was much too generous. Estates of the wealthiest American families will continue to go untaxed for up to 100 years. The 10-year transition rule recommended by the Finance Committee in 1976 should be adopted.

VIII. CONCLUSION

The recommendations for tax reform that I have proposed can move our tax system from a "disgrace" toward a "model" for the human race. Not all will agree with the details of each proposal—not even those who are as strongly committed to tax reform as I am. But differences in detail should not obscure what I hope will be larger agreement on the proposition that only fundamental reform of our tax structure will satisfy the expectations of the American people for a fairer, more simple, more efficient tax system. In this larger perspective, I hope these proposals will serve as a stimulus and a framework within which constructive analysis and dialogue can take place.

I believe that the President has both the desire and the ability to mobilize a powerful national constituency for fundamental tax reform. I urge him to be bold, and to encourage the Treasury, beset by lobbyists bent on retaining or winning special privileges, to be bold as well.

REMARKS BY THE HONORABLE W. MICHAEL BLUMENTHAL, SECRETARY OF THE TREASURY, TO THE FINANCIAL ANALYSTS FEDERATION, WASHINGTON HILTON HOTEL, WASHINGTON, D.C., JUNE 29, 1977

Tonight I want to talk to you about tax reform. President Carter has made a major commitment to improve the American tax system. Work on the Administration's proposal is moving ahead and we expect to present a program to Congress toward the end of the summer. So I would like to take this

opportunity to share some of our thinking on this important subject.

Our minds are open to a very wide variety of options for tax reform. But we have limited ourselves to this extent: we will retain the income tax as the centerpiece of the American tax system, without any thought of substituting a value added tax, a consumption tax or other exotic possibilities. We have a tax system that works—imperfectly to be sure, but at that better than most. It is preferable to correct its faults and build upon our knowledge and experience with it than to embark on fundamental change with an untried system whose effects we could not fully foresee.

Government, as Hobbes taught us long ago, is essential to restrain and mediate the passions of men and to provide that order without which not only civilization but life itself is in jeopardy. And taxes in turn must support government.

No matter how much we complain about paying taxes, it is still a lot cheaper than buying one's own army and navy.

Modern societies have of course assigned government much wider responsibilities than external defense and maintenance of internal order. For most of our history, the United States got along with only customs and excise taxes. The corporate income tax did not appear until 1909. The individual income tax, apart from temporary levies during and just after the Civil War and in the 1890's was enacted in 1913. And even then for the next 30 or so years it affected relatively few Americans. Payroll taxes came along in 1935.

Our requirements have now changed. For today's needs we must have broadly based taxes, capable of raising the revenues required by the many social responsibilities of government and the state of the economy. But the tax system of a free and democratic people must do more than merely raise the revenue that government requires. It must be equitable in the sense that the taxation is reasonably related to people's ability to pay and in the sense that people with like incomes pay the same amount of tax. It must be simple enough to be understood and to be respected. And it must operate efficiently to foster those social goals that it is called upon to promote.

How does our present Federal income tax system stack up against these criteria?

In some respects it performs rather well. But in other important aspects it falls short of our ideals—fully justifying the heavy emphasis this Administration is placing on tax reform.

As a revenue system, Federal income taxation is flexible and productive. In 1975, it generated \$163 billion in revenues—representing nearly 60 percent of total Federal tax collections.

It is remarkable that we raised this huge sum through a tax system that largely depends upon, and obtains, voluntary compliance, a tax system that is administered with honesty and integrity, and one that functions with minimal administrative and enforcement costs. In these respects, and others as well, the American tax system is the best in the world.

If we examine its fairness, we see that, as a whole, it is reasonably progressive. Nominal Federal income tax rates range from 14 percent on taxable income under \$500 to 70 percent on taxable income over \$100,000. And when we look at the rates actually paid on expanded income—a concept which adds capital gains and certain preference income to adjusted gross income—we find rates ranging from 1.1 percent on income under \$5000 in a steady, if somewhat uneven graduation to 32.6 percent on income over \$200,000.

And if we look back, we can see that our tax system has become more progressive over the last dozen years. The top half of all tax-

payers had effective rates that were 1½ to 2 percentage points higher in 1975 than in 1965. In the same period, effective tax rates on the lowest 10 percent dropped to virtually zero and on the next 20 percent declined from 4.1 to 2.4 percent.

But there is more to tax fairness than reasonable progressivity. We also believe that people with the same income should pay the same amount of tax. Here the performance of our tax system is mixed. All taxpayers with incomes between \$5,000 and \$10,000 are taxed at effective rates between zero and 15 percent—a range of 15 percent. Ninety-two percent of the taxpayers with incomes between \$25,000 and \$50,000 are taxed at effective rates between 10 and 25 percent—again a range of 15 percent. But for taxpayers with incomes of \$200,000 and over, the differences are far wider, with some paying as low as 2 percent and others as high as 58 percent. Substantial numbers pay at rates of less than 20 percent and more than 45 percent.

The present structure of our tax system allows these large differences among higher income taxpayers. The high marginal tax rates they face provide them with a strong incentive to find imaginative ways to lower their taxes. At the same time, opportunities for them to do so are available because of our piecemeal approach to tax legislation and regulation and as a by-product of efforts to promote social objectives. When we attempt to deal with a single problem in the tax code, we often find that the provisions can be used in unexpected ways to shelter income from taxation. When we seek to promote a social goal, such as housing development, we may also create real estate tax breaks for those with reason to seek them.

Part of the problem is the sheer complexity of the tax system. By now our tax code totals 1,100 pages. Related tax regulations account for many thousands of additional words and the Federal Tax Reporter runs to 14 volumes. With this great mass of rules, it is little wonder that nearly half of our taxpayers either cannot complete their returns unaided or believe that they can gain by hiring professionals who purport to understand the complexities of the law. The inability to understand what the tax laws are, and the belief that there is money to be made through tax planning and gamesmanship, undermine the confidence and trust that we require for a system based primarily on voluntary compliance.

We have sought to use our tax system to promote many social goals—charitable giving, home ownership, investment in productive equipment and in specific industries, environmental improvement and much else. It is difficult to generalize about the results of these incentives. But there are reasons to doubt that some, perhaps many, of these so-called tax expenditures are the most efficient means available to the government to achieve its objectives. On the other hand, in some cases, it appears that present tax incentives are not strong enough to serve our purpose.

For example, our current deductions for medical and casualty losses might well be superfluous if we had a national health insurance program.

And we may ask whether in a world of flexible exchange rates the tax code should promote exports through a device such as DISC, the so-called Domestic International Sales Corporation.

On the other hand, incentives to investment in productive equipment require strengthening to encourage the higher rate of capital formation that our economy needs. In recent years, the rate of capacity growth in manufacturing has slowed—from 4.6 percent over the period between 1948–1968, to 4 percent from 1968 to 1973 and 3 percent from 1973 to 1976. One consequence of this lagging investment is a decline in productivity growth that means less growth in real

incomes and an increased propensity to inflation.

In these circumstances, criticism of our tax system can come as no surprise. Americans from many different points of view are saying that the tax system is too complicated, that its effects are often inequitable, and that it is failing to contribute effectively to our social objectives.

The Carter Administration will respond to these concerns. Our goals are to make the American tax system simpler, fairer and better able to foster growth and efficiency in the American economy.

By simplicity, we intend that the average taxpayer should be able to readily understand what the law requires and to complete his own tax return without professional aid.

By greater equity, we intend that taxpayers with like incomes should pay like taxes in a system that remains reasonably progressive.

And to foster growth and efficiency, we intend to create incentives to work, to investment and savings and to eliminate the waste and resource misallocations that accompany efforts at tax planning.

At the strategic level, we face a choice between a radical and reformist approach. By "radical," I do not mean a far-right or a far-left proposal. I mean a solution that goes to the root of the problem. We could achieve vast simplification, great equity, and at least eliminate the inefficiencies associated with tax planning by wiping out all exemptions and deductions and taxing all income from whatever source at much lower rates. The rates could, of course, be lower because the taxable base would have been greatly enlarged. At the same time, the level at which income would be free of tax could be raised significantly.

This solution would mean, however, that such items as black lung benefits, social security payments, capital gains, and every other form of income would be taxed along with wages and salaries.

The uniform tax treatment under this system would provide few opportunities for perceived inequities. It would also mean that the tax system would be used for nothing but raising revenue. The social purposes we now seek to advance through the tax code would have to be promoted in other ways—ways that would be more direct and obvious and subject to scrutiny. Promotion of these purposes through budgeted expenditures would result in review, debate and legislative action different than the kind of review given to the tax expenditures that we now use.

But quite apart from the problems of adjustment to such a drastic change—and it could certainly not be done from one day to the next—there is a crucial question of whether some purposes can be promoted in our system except through tax incentives. For example, the alternative to tax incentives for investment would seem to require unacceptable government controls over capital outlays and the allocation of investment, with attendant inefficiency and misallocations of resources.

The radical approach is clean and decisive. A strong theoretical case can be made for it, but it makes some people tremble.

The strategic alternative is to develop a package of specific steps that will take us in the same direction, but without the wholesale change in existing law.

Without implying that any decisions have been made—because none have—let me describe some of the possibilities along this line.

The largest single source of tax complexity is the preferential treatment of capital gains. Forty-one sections of 51 subsections of the Tax Code are devoted to capital gains taxation. And efforts to convert ordinary income into capital gains are probably the largest area of tax planning, leading to many activi-

ties of little or no social value but productive of ample private gain.

Other sources of complexity in present law are the existence of both exemptions and credits, the record-keeping requirements related to certain deductions, and the option for a credit or deduction for political contributions. The \$750 exemption for the taxpayer and each dependent and the "general tax credit" that can be determined by optional methods could be simplified and combined. The record-keeping requirements associated with itemized deductions could be lessened if certain deductions were limited or if standard deductions were permitted for certain items in conjunction with itemized deductions for others. By broadening the tax base, limitations on certain deductions would permit general reductions of rates with the same revenues.

With the flat standard deduction included in the President's economic stimulus program, steps such as these could make tax preparation much easier for nearly all Americans. We should be able to make it possible for more than three out of four Americans to use the standard deduction and determine their tax from a simple rate table.

Fortunately, many of the steps that would simplify the tax system would also make it fairer. A large part of the variation in taxes paid on like incomes stems from the preferential taxation of capital gains.

Other equity problems stem from other kinds of preference income and from the freedom from taxation of certain fringe benefits and alleged business expenses, such as the \$50 martini lunch.

There are several options open to us for increasing growth and efficiency in the economy. Tax policy can affect investment decisions by increasing its after-tax return.

We could reduce or end the double taxation of corporate income by any of several methods. One possibility is full integration, which is equivalent to treating the corporation as a partnership. Each corporate shareholder, as a partner does under current law, would include in his own income for tax purposes his proportionate share of the corporation's income whether or not it is distributed. The corporation tax then becomes a withholding tax which can be credited against the shareholder's final individual tax liability.

Or, corporate and individual taxation could be partially integrated. In one approach, the individual shareholder grosses up his cash or "take-home" dividends in the same way that take-home pay is converted to total pay by adding taxes withheld by the employer. In determining final tax liability, the dividends are included in total income, but the taxpayer takes a credit for his share of the corporate tax.

Alternatively, corporations might be permitted a deduction for the dividends they pay, just as interest deductions are allowed at present.

There are other methods of encouraging investment:

Larger deductions for depreciation of income producing property can be allowed by various combinations of changes in asset lives, more accelerated methods, or by indexing depreciation schedules for inflation.

The investment tax credit, now at 10 percent for eligible property including depreciable equipment but not buildings, could be increased by raising the rate or relaxing the restriction that generally limits it to 50 percent of tax liability.

Corporate tax rates could be cut.

We will look at these options in terms of their effect on the freedom of investment to respond to market demands, their neutrality concerning the way investment is financed, and their impact on the timing and amount of investment that results from each dollar of revenue lost.

At the same time, we mean to promote growth and efficiency in other ways. The reduction of very high marginal rates could lessen the incentive for unproductive activities aimed at reducing taxes. The elimination of capital gains and other preference income could have a similar result.

In developing a comprehensive tax package, there are obviously conflicts and trade-offs among our goals. But there is ample opportunity to offset these effects and fashion a program, that in its entirety, fulfills all three of our objectives and gives this country the kind of tax system that it should have.

It will be one that retains its present good qualities of integrity and voluntary compliance. But it will also be a better system, fairer and simpler, and one that provides adequate incentives for growth and efficiency.

We are getting much advice on how to accomplish these goals. We welcome it and we want more, from you and from Americans across the country. We know that in translating our goals into realities there are difficult choices and complex issues. We want to know what you think.

Mr. JACKSON. Mr. President, I ask unanimous consent that Richard Perle, of my staff, be granted the privilege of the floor in connection with the pending measure, the appropriation bill on public works, as it pertains to title I, not in the closed session.

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

Mr. HEINZ. Mr. President, I make the same request for Mr. Mark Pisano, of my staff, to have the privilege of the floor during the consideration of the public works bill, with the exception of any executive session.

The ACTING PRESIDENT pro tempore. Not in the closed session.

Mr. HEINZ. Not in the closed session. The PRESIDING OFFICER. Without objection, it is so ordered.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be a brief period for the transaction of routine morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. Is there morning business?

Mr. ROBERT C. BYRD. Yes, Mr. President.

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar, beginning with U.S. Air Force on page 1, going through the nominations on pages 2 and 3, with the exception of Calendar No. 349 on page 3.

Mr. BAKER. Mr. President, reserving the right to object—and I will not object—nominations on the calendar as described by the majority leader, with the exception of Calendar No. 349, are cleared for confirmation on this side.

The ACTING PRESIDENT pro tempore. Without objection, the Senate will go into executive session.

Mr. ROBERT C. BYRD. Mr. President,

another exception, on page 2, is Calendar No. 339, and Calendar No. 323, on page 1, is an exception.

What I am saying is that the Senate should begin with "New Reports" on page 2 and, with the single exception of Calendar No. 349, proceed with the nominations.

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

COASTAL PLAINS REGIONAL COMMISSION

The assistant legislative clerk read the nomination of Claud Anderson, of Florida, to be Federal Cochairman.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

FOUR CORNERS REGIONAL COMMISSION

The assistant legislative clerk read the nomination of F. Kenneth Baskette, Jr., of Colorado, to be Federal Cochairman.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

NEW ENGLAND REGIONAL COMMISSION

The assistant legislative clerk read the nomination of J. Joseph Grandmaison, of New Hampshire, to be Federal Cochairman.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

OLD WEST REGIONAL COMMISSION

The assistant legislative clerk read the nomination of George D. McCarthy, of the District of Columbia, to be Federal Cochairman.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

OZARKS REGIONAL COMMISSION

The assistant legislative clerk read the nomination of Patsy Ann Danner, of Missouri, to be Federal Cochairman.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

PACIFIC NORTHWEST REGIONAL COMMISSION

The assistant legislative clerk read the nomination of Patrick J. Vaughan, of Idaho, to be Federal Cochairman.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

SOUTHWEST BORDER REGIONAL COMMISSION

The assistant legislative clerk read the nomination of Cristobal P. Aldrete, of Virginia, to be Federal Cochairman.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

JUDICIARY

The assistant legislative clerk read the nomination of Russell G. Clark, of Missouri, to be U.S. district judge for the western district of Missouri.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF JUSTICE

The assistant legislative clerk read the nomination of M. Carr Ferguson, of New York, to be an Assistant Attorney General.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

DEPARTMENT OF THE TREASURY

The assistant legislative clerk read the nomination of John Gaines Heimann, of New York, to be Comptroller of the Currency.

The ACTING PRESIDENT pro tempore. With objection, the nomination is considered and confirmed.

DEPARTMENT OF TRANSPORTATION

The assistant legislative clerk read the nomination of Richard Stephen Page, of Washington, to be Urban Mass Transportation Administrator.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nominations.

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

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD, I ask unanimous consent that the Senate resume the consideration of legislative business.

The ACTING PRESIDENT pro tempore, 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. Chirdon, one of his secretaries.

APPROVAL OF BILL

A message from the President of the United States announced that on June 29, 1977, he approved and signed the joint resolution (S.J. Res. 63) to amend the Federal Home Loan Bank Act.

REPORT OF THE NATIONAL HEART, LUNG, AND BLOOD INSTITUTE—MESSAGE FROM THE PRESIDENT—PM 91

The ACTING PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was referred to the Committee on Human Resources:

To the Congress of the United States:

I am transmitting herewith a copy of the Fourth Report of the Director of the National Heart, Lung, and Blood Institute, prepared in accordance with the requirements of Sec. 413(b)(2) of the Public Health Service Act, as amended by Public Law 94-278. The report contains two funding plans which have been generated by the National Heart, Lung, and Blood Institute. Both of these proposed levels are substantially in excess of my current budget request for 1978. While the research conducted by this Institute is of great importance, there are a large number of competing urgent national needs. Individual program activities and funding levels must be carefully considered not only on the basis of individual program merit, but also in light of overall resource availability and fiscal policy.

JIMMY CARTER.

THE WHITE HOUSE, July 1, 1977.

EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Foreign Relations.

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

MESSAGES FROM THE HOUSE

At 9:45 a.m., a message from the House of Representatives delivered by Mr. Hackney, one of its clerks, announced that the House has passed the bill (H.R. 7933) making appropriations for the Department of Defense for the fiscal year ending September 30, 1978, and for other purposes, in which it requests the concurrence of the Senate.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following communications which were referred as indicated:

EC-1592. A letter from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a supplemental summary of the budget for fiscal year 1978 (with an accompanying report); jointly, pursuant to the order of January 30, 1975, to the Committee on Appropriations and the Committee on the Budget.

EC-1593. A letter from the Deputy Assistant Secretary of Defense, Installations and Housing, transmitting, pursuant to law, notice of five construction projects to be undertaken by the U.S. Army Reserve (with accompanying papers); to the Committee on Armed Services.

EC-1594. A letter from the Commissioner of the Securities and Exchange Commission transmitting, pursuant to law, comments on the Comptroller General's Report submitted to the Congress on June 20, 1977, on the Administration of the Public Utility Holding Company Act of 1935 (with an accompanying report); to the Committee on Banking, Housing, and Urban Affairs.

EC-1595. A letter from the President of the Export-Import Bank of the United States transmitting, pursuant to law, a report on

loan, guarantee, and insurance transactions supported by Eximbank during May 1977 to Communist countries (as defined in section 620(f) of the Foreign Assistance Act of 1961 (with an accompanying report); to the Committee on Banking, Housing, and Urban Affairs.

EC-1596. A letter from the Secretary of Transportation transmitting, pursuant to law, an amendment of Motor Vehicle Safety Standard No. 208, Occupant Crash Protection that the Department of Transportation issued and forwarded to the Federal Register (with accompanying papers); to the Committee on Commerce, Science, and Transportation.

EC-1597. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, Council Act 2-44, an act to provide procedures for the conduct of an election to consider amendments to the Charter of the District of Columbia in November 1977 by the District of Columbia Board of Elections and Ethics (with accompanying papers); to the Committee on Governmental Affairs.

EC-1598. A letter from the Chairman of the Council of the District of Columbia transmitting, pursuant to law, Council Act 2-49, an act to provide for the appointment of individuals to fill vacancies on Advisory Neighborhood Commissions (with accompanying papers); to the Committee on Governmental Affairs.

EC-1599. A letter from the Comptroller General of the United States transmitting, pursuant to law, a report entitled "Slow Progress in Developing and Implementing a National Dam Safety Program" (CED-77-94) (with an accompanying report); to the Committee on Governmental Affairs.

EC-1600. A letter from the Chairman of the Education Commission of the States transmitting, for the information of the Senate, policy recommendations for the prevention of alcohol abuse (with an accompanying report); to the Committee on Human Resources.

EC-1601. A letter from the U.S. Commissioner of Education transmitting, pursuant to law, a report describing efforts to promote establishment of guaranteed student loan insurance programs and responses received to date (with an accompanying report); to the Committee on Human Resources.

EC-1602. A letter from the Secretary of the Treasury transmitting, pursuant to law, a report of the annual audit of the Student Loan Marketing Association for the year ended December 31, 1976 (with an accompanying report); to the Committee on Human Resources.

EC-1603. A letter from the Chairman of the Administrative Conference of the United States transmitting, pursuant to law, the 1976 report of the Administrative Conference of the United States, covering the period from January 1, 1976, to December 31, 1976 (with an accompanying report); to the Committee on the Judiciary.

EC-1604. A letter from the Counsel to the Pacific Tropical Botanical Garden transmitting, pursuant to law, a report of audit for the Garden for the period from January 1, 1976, through December 31, 1976 (with an accompanying report); to the Committee on the Judiciary.

EC-1605. A letter from the Administrator of the Veterans' Administration transmitting, pursuant to law, a report entitled "Amputations of Extremities and Cardiovascular Disease" (with an accompanying report); to the Committee on Veterans' Affairs.

PETITIONS

The ACTING PRESIDENT pro tempore laid before the Senate the following petitions which were referred as indicated:

POM-242. House Concurrent Resolution No. 27 adopted by the Legislature of the State of Louisiana memorializing Congress to require the Federal Government to absorb all costs involved in relocating and lowering pipelines carrying interstate Louisiana natural gas to other parts of the United States; to the Committee on Energy and Natural Resources:

HOUSE CONCURRENT RESOLUTION NO. 27

"Whereas, emergency legislation enacted by Congress gives the President of the United States authority to direct Louisiana natural gas to other areas of the United States where supplies are scarcest, and

"Whereas, diversion of Louisiana natural gas from the intrastate to the interstate markets may require the relocation of some interstate pipelines, and any such diversion increases the portion of the ever-shrinking supply of natural gas available to other states at the expense of intrastate natural gas available to the state of Louisiana, and

"Whereas, in effect, this is a transfer of a natural wealth resource of the state of Louisiana to other states of the United States, and for this reason it is fair and equitable that some recompense be made to this state for the decrease in its natural wealth, and

"Whereas, there is one significant area where funds of the United States could be used to the advantage of Louisiana as a partial offset to this diversion of natural wealth from Louisiana, this significant area being the cost of lowering and relocating interstate natural gas pipelines on account of the deepening of waterways in Louisiana which are part of the interstate system of waterways for commerce.

"Therefore, be it resolved by the House of Representatives of the Legislature of Louisiana, the Senate thereof concurring, that the Congress of the United States is memorialized to provide, as a partial offset to the diversion to other states of Louisiana's natural gas, for the absorption by the United States of the cost of relocating and deepening natural gas interstate pipelines where the relocation and deepening is related to the development and improvement in Louisiana of the interstate waterway system for the movement of interstate commerce.

"Be it further resolved that a copy of this resolution shall be transmitted without delay to the Vice President of the United States, as the presiding officer of the United States Senate, to the Speaker of the United States House of Representatives, and to each member of the Louisiana Delegation in the Congress."

POM-243. House Joint Resolution No. 1032 adopted by the Legislature of the State of Colorado urging Congress to enact measures to accelerate and broaden the research and development of controlled nuclear fusion as a source of energy; to the Committee on Energy and Natural Resources:

HOUSE JOINT RESOLUTION NO. 1032

"Whereas, Our nation's present sources of energy are rapidly being depleted and the exploration or and discovery of new supplies of such sources seems unable to keep pace with every increasing demand; and

"Whereas, Nuclear fusion holds much promise as a virtually unlimited and environmentally safe source of energy, once the technical problem of controlling the fusion process is solved; and

"Whereas, The United States has a unique role to play in the world as a leading force for scientific and technological innovation and for advanced agricultural and industrial production; and

"Whereas, If our nation's technical abilities that define us as the world's leading industrial nation, including the workforce, research and development capabilities, and industrial infrastructure of aerospace, electronics, and related industries, are permitted to deteriorate either through a deliberate pol-

icy of dismantling or through defense expenditures vicissitudes, then all lower levels of technology will be in jeopardy and the nation's capability for the most advanced design and retooling will be lost; now, therefore,

"Be It Resolved by the House of Representatives of the Fifty-first General Assembly of the State of Colorado, the Senate concurring herein:

"(1) That it is in the interests of the people of the State of Colorado and of all the United States that Congress enact the necessary measures to accelerate and broaden the research and development of controlled nuclear fusion as a source of energy and enact any necessary measures for the increased development of fossil fuels and solar energy and for the expansion and improvement of nuclear fusion as an energy source under existing technologies to bridge the period between now and the earliest possible date for bringing controlled nuclear fusion on line.

"(2) That Congress enact measures to foster the development and expansion of the aerospace, electronics, and related industries by encouraging the retooling of American industry in all lines of basic manufacture, transportation, agricultural production, and food and fiber processing, while developing the scientific and engineering capabilities essential for bringing controlled nuclear fusion on line.

"(3) That congress enact measures to strengthen basic scientific education in the fields of physics, chemistry, biology, agronomy, engineering, and related professional fields.

"Be It Further Resolved, That copies of this Resolution be sent to the President of the Senate and to the Speaker of the House of Representatives of the Congress of the United States and to each member of Congress from the State of Colorado."

POM-244. Legislative Resolution No. 285 adopted by the Legislature of the State of New York memorializing Congress and HEW to remove impediments in Federal rules and regulations so that the medical hospital cost containment program enacted by the New York State Legislature in 1976 can continue to be effectively applied to reducing excessive medical expenditures reimbursed under title XIX of the Social Security Act; to the Committee on Finance:

"LEGISLATIVE RESOLUTION SENATE 285

"Whereas, It is imperative that the Congress of the United States assist the State of New York in effectively applying hospital cost containment controls in order to safeguard the expenditure of public Title XIX funds; and

"Whereas, It has become clear that the rapidly escalating cost of medical care and services is among the most pressing issues facing the State and nation and that, in response to this growing crisis, both the State and Federal Governments have declared their intent to investigate means of controlling the acceleration of medical costs while preserving the quality of care available; and

"Whereas, On the State level, a major purchaser of medical care and services and therefore a principal component of any cost containment effort is the Title XIX Medical Assistance Program, which Title XIX expenditures in New York State presently account for approximately twenty-five percent of the total Title XIX national expenditures, occasioned by the fact that among all State Title XIX programs, New York State ranks highest in the average length of hospital stay per recipient and in program cost per recipient; and

"Whereas, With no existing evidence to warrant New York State's higher incidence of service utilization and costs, it is the conclusion of both State and Federal authorities that a significant portion of the State's Title

XIX expenditures is directly attributable to the provision permitting of unnecessary and excessive medical services; and

"Whereas, In order to reduce the unnecessary over-utilization of Title XIX services, a Cost Containment Program was enacted by the Legislature of this State and approved by the Governor on March thirtieth, nineteen hundred seventy-six (Chapter 76 of the Laws of 1976), one component of which Cost Containment Program established an independent onsite review mechanism whose purpose was intended to insure that hospital care and services delivered under the Title XIX program are done so in conformance with the State's Title XIX plan of service coverage; and

"Whereas, This review body is composed of State health care professionals who are independent of local practicing physicians and hospitals and is referred to as the New York State Onsite Hospital Control System; and

"Whereas, Since the implementation of the Cost Containment Program in October of 1976, which program at present covers approximately forty percent of Medicaid's hospital population, the Medicaid average length of stay in onsite hospitals for patients under sixty-five years of age has been brought closer to the national average of 6.0 days and the patient length of stay has been reduced from 8.0 days to 6.3 in onsite hospitals with no adverse impact on the quality of patient care; and

"Whereas, The State anticipates a long term decrease in the length of stay at onsite hospitals of at least ten percent below that which existed prior to program implementation; and

"Whereas, The annualized Federal, State, and local savings resulting from a ten percent decrease in length of stay for Medicaid patients in hospitals covered by the onsite program, is projected to total a minimum of fifty million dollars; and

"Whereas, Onsite health department staff are also finding that approximately five percent of the claims for inpatient hospital, medical or surgical services are unnecessary or excessive, or should be denied on technical grounds, and therefore are either completely or partially not reimbursable under the State's Title XIX plan; and

"Whereas, The annualized Federal, State and local savings resulting from the five percent reduction of inpatient hospital services for Medicaid patients covered by the onsite program is projected to total a minimum of eight million dollars; and

"Whereas, This two hundredth Legislature of the State of New York further finds that the decisions governing expenditures of State funds must ultimately rest with the instruments of State government or those representatives so designated by the Governor with the advice and consent of the Legislature for to do otherwise would subvert the representative process of State government and prevent the citizens of the State from exercising any essential control over public expenditure of tax revenues; and

"Whereas, The professional standards, review mechanism as presently defined by Federal law and regulation for Title XIX care and services are essentially independent contractors with the Department of Health, Education and Welfare and as such are not directly accountable to the State or its citizens for State funds expended under Title XIX; and

"Whereas, Such contractors and mechanisms established pursuant to Federal laws and regulations for the utilization review of care and services provided under Title XIX have yet to be proved efficacious in accomplishing the purposes of promoting efficient and economical delivery of health care services; and

"Whereas, A concurrent audit of the performance of federally mandated and estab-

lished professional standards review contractors by the State operated Onsite Hospital Control System found that seventeen percent of hospital days approved by such contractors were in fact unnecessary or inappropriate; now, therefore, be it

"Resolved, That its Legislative Body respectfully memorializes the Congress of the United States to enact legislation postponing the termination of State Authority over Federal determinations of payments to be made for services rendered under the Title XIX program; and be it further

"Resolved, That during the time of such postponement the Department of Health, Education and Welfare be directed to permit the State to conduct concurrent independent reviews of the determinations made by those contractors designated by the Department of Health, Education and Welfare as responsible for Title XIX utilization review activities; and be it further

"Resolved, That such concurrent utilization reviews be continued until such time as an evaluation and determination is made on how best to insure a quality medical assistance program which is reflective of the best interests of the population served and the public as a whole; and be it further

Resolved, That this Legislative Body respectfully memorializes the Department of Health, Education and Welfare, on the basis of the evidence cited above, to approve the State of New York's Title XIX plan including those provisions enacted by chapter 76 of the laws of the State of New York 1976; and be it further

"Resolved, That the medicaid cost containment program and, most particularly, the onsite hospital controls implemented as a result of chapter 76 or the laws of New York State and through Part 85 of the rules and regulations of the New York State Commissioner of Health be continued as a necessary and effective State mechanism to contain medicaid expenditures while maintaining a quality standard of health services for its indigent population; and be it further

"Resolved, That copies of this resolution, suitably engrossed, be transmitted to the President Pro Tempore of the Senate of the United States, to the Speaker of the House of Representatives of the United States, to each member of the Congress of the United States from the State of New York and to the Honorable Joseph Califano, Secretary of Health, Education and Welfare."

POM-245. A petition from Quentin Cowles, Orange, Calif., urging the President and Congress to do everything in their power to stop the surrender of the Panama Canal; to the Committee on Foreign Relations.

POM-246. A petition from Dr. L. M. Brett, New York City, N.Y. urging the President and Congress to do everything in their power to stop the surrender of the Panama Canal; to the Committee on Foreign Relations.

POM-247. A petition from S. D. Zeanah, Montevallo, Ala., urging the President and Congress to do everything in the power to stop the surrender of the Panama Canal; to the Committee on Foreign Relations.

POM-248. Senate Memorial No. 4 adopted by the Senate of the State of Colorado memorializing Congress to defeat legislation transferring the Mining Enforcement and Safety Administration from the U.S. Department of the Interior; to the Committee on Human Resources:

"SENATE MEMORIAL NO. 4

"Whereas, The Senate recognizes the ongoing importance of the mining industry to the State of Colorado, as well as the Nation; and

"Whereas, The existence of the small mine operator, who plays an important part in the mining industry, is endangered by the United States Department of Labor's inflexibility; and

"Whereas, Proposed United States House of Representatives Bill No. 4287 and United States Senate Bill No. 717 represent a further erosion of basic States' rights by elimination of State participation in mine regulation; and

"Whereas, The Senate finds that the fundamental system of checks and balances is necessary for the efficient and equitable regulation of the mining industry; and

"Whereas, The transfer of the Mining Enforcement and Safety Administration (MESA) from the United States Department of the Interior to the United States Department of Labor makes no provision for State Plans; and

"Whereas, Mining industry accident statistics have shown significant improvement since the creation of MESA, with cooperative programs with State agencies, private industry, and labor; and

"Whereas, Proper mine safety regulation requires experienced and qualified personnel and would be severely jeopardized by the incorporation of MESA into the United States Department of Labor; and

"Whereas, Any conflict of interest between mine safety and encouragement of the use of minerals has been effectively eliminated within the United States Department of the Interior by the creation of MESA; and

"Whereas, State agencies and MESA have cooperatively developed compatible training, education, and enforcement programs; and

"Whereas, National legislation is often unresponsive and incompatible with local needs and conditions; now, therefore,

"Be It Resolved by the Senate of the Fifty-first General Assembly of the State of Colorado:

"1. That, although the federal government should provide mandatory basic health and safety regulations for all mining operations, detailed safety and health requirements should be left up to the individual States.

"2. That the members of the Senate indicate by this memorial their desire for MESA to remain within the United States Department of the Interior and that they, therefore, strongly urge the defeat of House Bill No. 4287, Senate Bill No. 717, and similar legislation.

"Be It Further Resolved, That copies of this memorial be sent to the President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, and to each member of the Congress of the United States from the State of Colorado."

POM-249. Resolution No. 117 adopted by the Legislature of the Territory of Guam relative to requesting the Congress of the United States to call a Constitutional Convention for the purpose of proposing an amendment to the Constitution of the United States to guarantee the preservation of human life; to the Committee on the Judiciary:

"RESOLUTION NO. 117

"Be it resolved by the legislature of the territory of Guam:

"Whereas, The United States Supreme Court has interpreted the provisions of the Constitution of the United States to allow the taking of human life in certain pre-natal stages; and

"Whereas, The United States Supreme Court has interpreted provisions of the Constitution of the United States to demand the taking of human life in certain pre-natal stages at the request of the mother, although not required to prevent the death of the mother; and

"Whereas, these interpretations have thrust concepts upon the citizens of this nation which were never confronted by our forefathers in drafting the original docu-

ment, and which massive numbers of persons, including the citizens of this territory, find repulsive to the American way of life; now, therefore be it

"Resolved, that the Fourteenth Guam Legislature joins the state of Utah and other states and respectfully requests the Congress of the United States to call a convention for the purpose of drafting an amendment to the U.S. Constitution that will guarantee to every human life, from the moment of fertilization throughout its natural existence, in every state, territory, and possession of the United States, the full protection of all laws respecting life, excepting an unborn child whose mother's life would otherwise be lost; and be it further

"Resolved, that the Speaker certify to and the Legislative Secretary attest the adoption hereof and that copies of the same be thereafter transmitted to Utah State Legislature; Representative A. B. Won Pat; the Speaker, U.S. House of Representatives; the Vice President of the United States and to the Governor of Guam."

POM-250. House Joint Resolution No. 160 adopted by the General Assembly of the State of Tennessee applying to Congress to call a convention for the purpose of amending the Constitution of the United States to provide the President with the power to veto any particular item or items of any appropriations bill; to the Committee on the Judiciary:

"HOUSE JOINT RESOLUTION No. 160

"Whereas, over the past thirty years, the federal government has frequently made appropriations of funds substantially in excess of revenue collections, thereby amassing considerable deficits and necessitating extensive borrowing; and

"Whereas, deficit spending by the federal government has been a major cause of and contributor to the inflation of our national currency; and

"Whereas, inflation imposes the heaviest financial burden on those least able to bear it, and deficit spending imposes the funding of federal debts on future generations of Americans who have had no voice in the incurring of such debts; and

"Whereas, the inflationary consequences of federal budgetary deficits have impaired the credit of the United States and undermined the value of its currency, and have contributed to financial and other difficulties and dislocations for state and local governments; and

"Whereas, the President of the United States could more effectively deal with this problem were he able to exercise an item veto when considering any appropriation bill passed by the Congress; and

"Whereas, there has not been, nor does it appear that there will be, any initiative on the part of the Congress to amend the Constitution of the United States so as to provide the President with such item veto; and

"Whereas, in the event of Congressional inaction, Article V of the Constitution of the United States grants to the states the right to initiate constitutional change through application by the legislatures of two-thirds of the several states to the Congress, calling for a constitutional convention; and

"Whereas, the Congress is required by the Constitution of the United States to call such a convention upon receipt of such applications; now, therefore,

"Be it resolved by the House of Representatives of the Ninetieth General Assembly of the State of Tennessee, the Senate concurring, That pursuant to Article V of the Constitution of the United States, the General Assembly of Tennessee does hereby make application to the Congress of the United States to call a convention for the sole and exclusive purpose of proposing to the several states a Constitutional amendment, to-wit:

"1. The President shall have the power to veto any particular item or items of an appropriation bill, but the veto shall not affect the item or items to which he does not object. The item or items objected to shall not take effect except in the manner heretofore provided in this Constitution as to bills which fall to receive the President's approval."

"Be it further resolved, That unless rescinded by the General Assembly of Tennessee, this application shall constitute a continuing application for such convention pursuant to Article V, until the legislatures of two-thirds of the states shall have been made like applications and such conventions shall have been called by the Congress of the United States.

"Be it further resolved, That since this method of proposing amendments to the Constitution has never been completed to the point of calling a convention and no interpretation of the power of the states in the exercise of this right has ever been made by any court or any qualified tribunal, if there be such, and since the exercise of the power is a matter of basic sovereign rights and the interpretation thereof is primarily in the sovereign government making such exercise, and since the power to use such right in full, also carries the power to use such right in part, the General Assembly of Tennessee interprets Article V to mean that if two-thirds of the states make application for a convention to propose an identical amendment to the Constitution for ratification, with a limitation that such amendment be the only matter before it, that such convention would have power only to propose the specified amendment, would be limited to such proposal, and would not have power to vary the text thereof, nor would it have power to propose other amendments on the same or different propositions.

"Be it further resolved, That certified copies of this Resolution be presented forthwith to the President of the Senate and the Speaker of the House of Representatives of the United States and to the legislatures of each of the several states, attesting the adoption of this Resolution by the General Assembly of Tennessee."

POM-251. A resolution adopted by the General Court of the Commonwealth of Massachusetts requesting Congress to call a convention for the purpose of proposing an amendment to the Constitution of the United States with respect to the right to life; to the Committee on the Judiciary:

"RESOLUTIONS REQUIRING THE CONGRESS OF THE UNITED STATES TO CALL A CONVENTION FOR THE PURPOSE OF PROPOSING AN AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES PROTECTING THE RIGHT TO LIFE OF ALL HUMAN BEINGS DURING EVERY STAGE OF BIOLOGICAL DEVELOPMENT

"Resolved, That the General Court of the Commonwealth of Massachusetts respectfully petitions the Congress of the United States pursuant to Article V of the United States Constitution to call a convention for the purpose of proposing the following article as an amendment to the Constitution of the United States:

"ARTICLE

"Section 1. With respect to the right to life, the word person as used in this article and in the Fifth and Fourteenth Articles of Amendment to this Constitution applies to all human beings irrespective of age, health, function, or condition of dependency, including their unborn offspring at every stage of their biological development.

"Section 2. No unborn person shall be deprived of life by any person, provided, however, that nothing in this article shall prohibit a law permitting only those medical procedures required to prevent the death of the mother.

"Section 3. The Congress and the several

states shall have the power to enforce this article by appropriate legislation; and be it further

"Resolved, That a duly attested copy of these resolutions be immediately transmitted by the Clerk of the House of Representatives to the Secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States, to each member of Congress from this Commonwealth, and to each house of each state legislature in the United States."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. STENNIS (for Mr. McCLELLAN), from the Committee on Appropriations:

With amendments:

H.R. 7933. An act making appropriations for the Department of Defense for the fiscal year ending September 30, 1978, and for other purposes (Rept. No. 95-325).

By Mr. Muskie, from the Committee on Governmental Affairs:

With an amendment:

S. 2. A bill to require authorizations of new budget authority for Government programs at least every five years, to provide for review of Government programs every five years, and for other purposes (title amendment) (together with supplemental and additional views) (Rept. No. 95-326).

By Mr. CANNON, from the Committee on Rules and Administration:

Special report entitled "Report with Recommendations of the Committee on Rules and Administration on the Joint Committee on Printing and the Joint Committee of Congress on the Library" (Rept. No. 95-327).

HOUSE BILL REFERRED

The bill (H.R. 7933) making appropriations for the Department of Defense for the fiscal year ending September 30, 1978, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

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. METCALF (for himself, Mr. RANDOLPH, Mr. BROOKE, Mr. HELMS, Mr. HOLLINGS, Mr. JACKSON, Mr. MORGAN, Mr. MOYNIHAN, Mr. RIECOFF, and Mr. THURMOND):

S. 1820. A bill to authorize the Secretary of the Interior to assist the States to establish programs for the maintenance of natural diversity, and for other purposes; to the Committee on Energy and Natural Resources and the Committee on Environment and Public Works, jointly, by unanimous consent.

By Mr. HUMPHREY:

S. 1821. A bill to amend title 5 of the United States Code to provide paid leave for a Federal employee participating in certain athletic activities as an official representative of the United States; to the Committee on Governmental Affairs.

By Mr. SCHWEIKER:

S. 1822. A bill to authorize the transfer of one of the Gettysburg Address manuscripts from the custody of the Library of Congress to the custody of the Secretary of the Interior; to the Committee on Rules and Administration.

By Mr. MATHIAS:

S. 1823. A bill for the relief of Karim M. Roushandel; to the Committee on the Judiciary.

By Mr. McCURE:

S. 1824. A bill to relieve secondary and elementary schools from the costly and unnecessary burden of completing and filing Office of Civil Rights forms 101 and 102; to the Committee on Human Resources.

By Mr. METZENBAUM (for himself and Mr. GLENN):

S. 1825. A bill for the relief of the estate of Charles Glatt; to the Committee on the Judiciary.

By Mr. SPARKMAN:

S. 1826. A bill for the relief of Kainoosh-Fard Bullock and her son, Fami Bullock; to the Committee on the Judiciary.

By Mr. JOHNSTON:

S. 1827. A bill to amend the Energy Policy and Conservation Act, and for other purposes; to the Committee on Energy and Natural Resources.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

(Statements in connection with the above introduced bills and joint resolutions are printed at the conclusion of Senate proceedings today.)

ADDITIONAL COSPONSORS

S. 2

At the request of Mr. MUSKIE, the Senator from Missouri (Mr. DANFORTH), the Senator from Pennsylvania (Mr. HEINZ), and the Senator from New York (Mr. JAVITS) were added as cosponsors of S. 2, to require review of certain Government programs.

S. 972

At the request of Mr. NELSON, the Senator from Iowa (Mr. CULVER) was added as a cosponsor of S. 972, the Small Business Development Center Act.

S. 1276

At the request of Mr. HEINZ, the Senator from Utah (Mr. GARN) and the Senator from South Carolina (Mr. THURMOND) were added as cosponsors of S. 1276, relating to pollution control facilities.

S. 1307

At the request of Mr. THURMOND, the Senator from Alabama (Mr. ALLEN) was added as a cosponsor of S. 1307, to amend title 38 of the United States Code.

S. 1419

At the request of Mr. HEINZ, the Senator from Rhode Island (Mr. PELL) was added as a cosponsor of S. 1419, the Emergency Rail Transportation Act.

S. 1774

At the request of Mr. NELSON, the Senator from Kentucky (Mr. FORD), the Senators from Minnesota (Mr. HUMPHREY and Mr. ANDERSON), the Senator from Pennsylvania (Mr. HEINZ), and the Senator from North Dakota (Mr. YOUNG) were added as cosponsors of S. 1774, to amend the Internal Revenue Code.

SENATE CONCURRENT RESOLUTION 32—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO THE OBSERVANCE OF THANKSGIVING

(Referred to the Committee on Foreign Relations.)

Mr. HUMPHREY submitted the following concurrent resolution:

S. CON. RES. 32

Resolved by the Senate (the House of Representatives concurring).

Whereas since 1621 Americans have each year celebrated a day of gratitude for the bountiful harvests and blessing of our own land with feasts and family gatherings; and

Whereas Americans have a long-demonstrated history of compassion for those less fortunate; and

Whereas compassionate Americans seek a vehicle through which to translate their concerns into constructive action; and

Whereas there is a need to help combat world hunger beyond what governments are providing; and

Whereas in a world where hunger is haunting an ever-growing proportion of the human family, it is appropriate that Americans should express their thankfulness by sharing with the hungry of other countries; and

Whereas this observance should serve to rekindle the original spirit of sharing and give our people the pride and satisfaction of contributing toward a better-fed world; and

Whereas this observance should add a practical aspect and broaden the ethical aspect of Thanksgiving: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring). That it is the sense of the Congress, that—

(1) the national observance of Thanksgiving should include a voluntary practice to be called "Thankful Giving", whereby Americans are invited to share with those abroad who are hungry;

(2) before starting their Thanksgiving meal, family members should be invited to make personal donations to combat hunger abroad as a way of giving thanks for the feast that follows;

(3) the sums so collected should be forwarded to the charities their donors choose, either religious or secular;

(4) schools, churches, clubs, labor organizations and the media should disseminate and promote the concept of "Thankful Giving", and provide lists of appropriate charities;

(5) the President, the Governors of the several States, and local public officials should consider recommending the observance of "Thankful Giving" in their Thanksgiving proclamations.

SEC. 2. The Clerk of the House is directed to transmit copies of this resolution to the President, the Secretary of State, the Secretary of Agriculture, and to the Governors of the several States.

THANKSGIVING AND WORLD HUNGER

Mr. HUMPHREY. Mr. President, Thanksgiving is a day that symbolizes our gratitude for the goodness of life. Since 1621 Americans have set aside 1 day every year in recognition of our thankfulness for all that we enjoy.

When it comes to the basic needs of life, most Americans have a lot to be grateful for. This is particularly true of our situation with respect to food. We have the world's most productive agriculture, an impressive network of farms that not only feeds this Nation but millions of people all over this globe. The importance of agriculture to the American economy is profound.

Unfortunately, such is not the case in many other parts of the world. Over 400 million people will suffer from malnutrition in 1977, a year in which the world will have strong food production with no major crop shortfalls.

It seems appropriate that Americans dedicate part of their day on Thanksgiving to thinking about the problems of world hunger, learning about its consequences, and contemplating ways that this tragic problem can be dealt with.

I am certain that if Americans were to spend a little time on this important day of the year to think about the problems of world hunger, our commitment as a nation to eradicating malnutrition would increase dramatically.

Today, I am pleased to join with my distinguished friend in the House of Representatives, Congressman PAUL SIMON of Illinois, in offering a concurrent resolution dedicated to broadening the observance of Thanksgiving to an occasion of sharing our plenty with the hungry of other lands.

AMENDMENTS SUBMITTED FOR PRINTING

OUTER CONTINENTAL SHELF LANDS ACT—S. 9

AMENDMENT NO. 490

(Ordered to be printed and to lie on the table.)

Mr. DURKIN. Mr. President, in a few short weeks every one of us in this Chamber will be expected to vote on legislation forming a national energy plan which will have profound consequences for every man, woman, and child in this country for generations to come. Yet, we stand here today ignorant of the basic information we need to make the right decisions.

We will be asked to greatly increase the price ceiling for natural gas, and yet we do not even know whether there is an urgent natural gas shortage.

We will be asked to give industry incentives to convert oil and gas-fired boilers to coal, and yet we do not even know whether there is an urgent natural gas shortage.

We will be asked to increase the price of domestic oil to the world market price, and yet we do not even know the true extent of our oil reserves.

We will be asked to increase incentives to industry for oil exploration and extraction, and yet we do not even know the true extent of our oil reserves.

As a result, we sit here today like mapmakers of centuries ago, attempting to chart unseen lands by relying on second-hand information. I do not have to remind anyone here that it was through using such a map that Christopher Columbus found America, but was convinced he was in India.

We stand here on the brink of a great chasm of ignorance, a chasm separating our present energy crisis from our future energy solutions. We will now only cross that chasm and embark on a national energy plan with a great leap of faith—a leap which accepts present estimates of oil and gas reserves; estimates which are almost all based on industry supplied figures.

The seriousness of this information gap was painfully demonstrated recently in 2 days of hearings before the Senate Energy and Natural Resources Committee. During those hearings ERDA

officials were called to explain their handing of a recent natural gas study they initiated and then rejected. Contrary to conventional wisdom and industry estimates of a severe natural gas shortage, that study said there would be an adequate and affordable supply of natural gas for the next 40 years.

The chairman of that study, Dr. Christian Knudsen, last week testified that after release of his analysis he was removed from the project, shifted to another job within ERDA, and told that the real reason for the transfer was the results of his study, which conflicted with industry estimates.

When Knudsen's superiors, several of whom are retired oil company executives, learned of the direction of his study, they initiated a second study, unknown to Knudsen, which arrived at conclusions closer to industry projections of a severe natural gas storage.

Without question, something is very wrong at ERDA. An objective expert, who had previously won an award from ERDA for his outstanding performance, does a study which challenges predictions of natural gas scarcity made by the oil companies, and his superiors, several of whom are retired oil company executives, reject his study without substantive evidence and fire him from the project.

The two other studies done by ERDA under the market-oriented program planning study—MOPPS—point to the confusion and uncertainty surrounding this crucial area—divergent estimates and data led to divergent findings and conclusions. For the RECORD I would like to include here the results of the three divergent gas supply estimates published by MOPPS:

GAS SUPPLY—CONVENTIONAL AND UNCONVENTIONAL SOURCES			
(Trillion cubic feet)			
	Estimate 1 (Knudsen)	Estimate 2	Estimate 3
Cost (million cubic feet):			
\$0.50.....	200	201	91
\$1.....	421	350	176
\$2.....	800	512	541
\$3.....	1,811	665	944
\$4.....	2,470	858	1,259
\$5.....	2,755	1,104	1,483

However, the broader and more disturbing question raised is why do we not yet know the true extent of our oil and gas reserves. Part of the reason is that debate has centered on the question of whether the Government actually has the authority to collect the data necessary to independently determine the status of reserves without having to rely on industry data—data which is understandably suspect as being self-serving.

It is now too late to postpone the vital energy policy decisions we must make shortly while we wait for a definitive study of our reserves. However, it is not too late to mandate the collection of this information so we may later refine or even alter the course of our energy policy to accord with the realities of our energy supplies.

For this reason, I will offer an amendment to S. 9, the Outer Continental

Shelf Act amendments, to establish a continuing Government investigation and inventory of oil and natural gas reserves.

As you may know, at present Federal data collection authority is spread unevenly and inconsistently over several agencies including the Federal Power Commission and the U.S. Geological Survey. The Department of Energy will consolidate many of these authorities. However, there are still serious questions about the overall power of any agency of the Federal Government to make the necessary inspections, drillings, and data verifications necessary to give the Government the ability to independently determine the true extent of our oil and natural gas reserves.

This is at a time when Congress is contemplating massive programs to convert utilities and businesses to coal, to install insulation and solar equipment to provide numerous tax incentives, and to build new pipelines, nuclear plants and synfuel facilities, yet we do not know the necessity of these costly projects.

Clearly, the Congress must act to insure we have sufficient information to make informed decisions on the vital energy decisions ahead.

The amendment I am offering would authorize and direct the President to get this urgently needed information and to report it to Congress annually. In particular, it requires the President to make an independent determination of the MER—maximum efficient rate—and MPR—maximum production rate—in relation to the actual production from fields, reservoirs, and wells, commencing 12 months immediately prior to the date of enactment. It requires an independent estimate of total proved and probable natural gas and crude oil reserves by fields and reservoirs, and a determination of the utilization of both natural gas and crude oil in terms of end use markets. It also requires a study of the relationship of the information to the requirements of conservation, industry, commerce, and the national defense.

The President is authorized to delegate his authority to conduct this study to appropriate Federal agencies, but he alone is ultimately responsible for providing the information to Congress in a form that is readily useable. The act authorizes the use of subpenas by the President, or his authorized designee, to obtain the necessary information.

Mr. President, every previous effort by the Federal Government to obtain this type of information has been bogged down in lengthy litigation. The Federal Power Commission has attempted to obtain some of the same information that would be collected pursuant to the bill I introduce today, beginning in 1974, and still has not gotten to first base. There is simply not the luxury of time to allow technicalities to be used to continually deprive the Federal Government of this urgently needed information. Therefore, section 6 of the act provides that no court shall have jurisdiction to grant any injunctive relief to stay or defer action taken under this act.

My bill leaves to Presidential discretion the manner in which information is

to be gathered. The President need not duplicate existing efforts, but may, if he chooses, rely in part upon work now being performed under other provisions of law, provided he assures the accuracy, independence, and credibility of the energy information he reports annually to Congress.

Mr. President, overlapping jurisdiction and inadequate authority have resulted in confusion and uncertainty at the Federal level. Not only are the secondhand figures received by Federal agencies not independently verified, but agencies sometimes withhold from other agencies what little information is available. The only thing that everyone agrees upon, from Secretary Andrus to FEA Administrator O'Leary, is that we simply do not have the information we need. My legislation would provide the authority and direction to gather this information. Without it, we cannot fashion a national energy policy and we cannot make decisions now before us which impact on future generations.

I ask unanimous consent that the text of my amendment be printed in the RECORD.

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

AMENDMENT No. 490

At the end of the bill insert a new section as follows:

INVESTIGATION OF AVAILABILITY OF DOMESTIC CRUDE OIL AND NATURAL GAS

SEC. 509. (a) The Congress hereby finds that—

(1) there is a serious lack of adequate basic energy information available to Congress and the President with respect to the availability of domestic crude oil and natural gas;

(2) there is currently an urgent need for such information;

(3) the existing collection of energy data and information relevant to the determination of crude oil and natural gas availability by Federal agencies is uncoordinated, is jurisdictionally limited in scope, and relies too heavily on unverified information from industry sources; and

(4) adequate, reliable, and comprehensive information with respect to the availability of domestic crude oil and natural gas resources whenever located is essential to the national security of the United States.

(b) The purpose of this section is to enable the President and Congress to gain the best possible knowledge of the status of crude oil and natural gas reserves, resources, productive capacity and production available to meet current and future energy supply emergencies, to gain accurate knowledge of the potential quantity of domestic natural gas and crude oil resources which could be made available to meet such emergencies, and to aid in establishing energy pricing and conservation policies.

(c) The President is authorized and directed to conduct a continuing investigation, based on data and information which he determines has been adequately and independently audited and verified, for the purpose of determining the availability of all natural gas and crude oil produced or located in the United States or in any State, including all crude oil and natural gas on the Outer Continental Shelf, onshore Federal lands, and all non-Federal lands.

(d) The investigation conducted pursuant to this section shall include, among other items—

(1) an independent determination of the MER (maximum efficient rate) and MPR (maximum production rate) in relation to

the actual production from the fields, reservoirs, and wells in this study commencing with the twelve-month period immediately prior to the date of enactment of this section, and the President shall direct that an independent estimate shall be made indicating whether production from these fields, reservoirs, and wells has been less than the maximum efficient rate and maximum production rate, and, if so, the reason for this difference;

(2) an independent estimate of total proved, probable, and possible natural gas and crude oil reserves by fields and reservoirs based on, where necessary, geological and geophysical explorations carried out by Federal or other appropriate agencies;

(3) a determination of the utilization of natural gas and crude oil in terms of end-use markets so as to ascertain the consumption by different classes and types of end users; and

(4) the relationship of any and all such information to the requirements of conservation, industry, commerce, and the national defense.

(e) In order to obtain information required by this section, the President may utilize the authority to collect energy information granted to the Administrator of the Federal Energy Administration in the Energy Supply and Environmental Coordination Act of 1974, as amended, (15 U.S.C. 791 et seq.) and the Federal Energy Administration Act of 1974, as amended, (15 U.S.C. 761 et seq.), and the authority granted to the Federal Power Commission in the Natural Gas Act (15 U.S.C. 717 et seq.).

(f) The President shall submit an initial report to Congress on the results of the continuing investigation required under this section not later than six months after the date of enactment of this section, and shall submit subsequent reports annually thereafter.

(g) The President may delegate all or any portion of the authority granted to him under this section to such executive agencies (within the meaning of 5 U.S.C. 105) or officers of the United States he determines appropriate, and may authorize such redelegation as may be appropriate. Except with respect to section 552 of title 5 of the United States Code, any officer or executive agency of the United States to which authority is delegated or redelegated under this section shall be subject only to such procedural requirements respecting the exercise of such authority as the President would be subject to if such authority were not so delegated.

(h) Prior to a final judgment, no court shall have jurisdiction to grant any injunctive relief to stay or defer the implementation of this Act, or action taken by the President under this Act.

(i) If any provision of this Act, or the application of such provision to any person or circumstance, shall be held invalid, the remainder of this Act, or the application of such provisions to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

PUBLIC WORKS APPROPRIATIONS, 1978—H.R. 7553

AMENDMENT NO. 491

(Ordered to be printed.)

Mr. HATFIELD proposed an amendment to the bill (H.R. 7553) making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1978, and for other purposes.

AMENDMENT NO. 492

(Ordered to be printed.)

Mr. NUNN (for himself and Mr. ALLEN) proposed an amendment to the

bill (H.R. 7553) making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1978, and for other purposes.

NOTICES OF HEARINGS

GOVERNMENT INFORMATION AND INDIVIDUAL RIGHTS

Mr. RIBICOFF. Mr. President, I wish to announce joint hearings before the Governmental Affairs Committee and the House Subcommittee on Government Information and Individual Rights on the final report of the Privacy Protection Study Commission. The hearings will be held on Tuesday, July 12, at 10 a.m.—location of hearings will be announced at a later date.

SUBCOMMITTEE ON INTERNATIONAL FINANCE

Mr. STEVENSON. Mr. President, on August 23 and 24, the Subcommittee on International Finance of the Committee on Banking, Housing, and Urban Affairs, will hold hearings at 10 a.m. in room 5302, Dirksen Senate Office Building, on international debt.

The high price of oil imports and the uneven recovery from world recession have saddled most countries with continuing payments deficits and mounting foreign debts. Ways must be found to reduce deficits and ease debt burdens to forestall global recession. The hearings will focus on:

First. The dimension of national debts and payments deficits and the outlook for the future;

Second. The additional resources needed to enable countries to service their debt and finance their deficits;

Third. The facilities, procedures and conditions for providing credit and rescheduling international debt, if necessary; and

Fourth. New forms of cooperation between public and private institutions to improve assessments of creditworthiness.

The resources of the IMF, other international institutions, and commercial banks to finance international debt are inadequate. Negotiations are underway to increase IMF quotas again and establish a special fund—the "Witteveen Facility"—to replenish IMF resources. Suggestions have been made for stretching IMF resources by IMF borrowing in private markets, joint loans with private banks to country borrowers, and guarantees of private loans.

When international debt reschedulings are unavoidable, an informal procedure known as the "Club of Paris" has been used to renegotiate official credits; private credits are handled through separate, but parallel, negotiations. In recent cases, these informal procedures have not worked smoothly. It has been suggested that the arrangements should be formalized and that there should be a provision for IMF participation in rescheduling both public and private debt.

Private financial institutions have provided more credit to countries in recent years. A sudden contraction of international bank lending could disrupt the world economy. It has been proposed that the IMF and the Federal Reserve Board

share their analyses of the debt and prospects of various countries with private lenders in order that more accurate assessments of creditworthiness be made.

Whatever devices are used to get around the debt hurdles in the near future, the causes of the deficits will have to be dealt with as well. Development of energy and food resources worldwide would relieve the cost of imports in many countries. Liberalization of trade would help, especially if surplus countries took the lead in opening markets to foreign goods. Commodity agreements are another possibility. The exchange rate system may need to be improved to insure that rates are permitted to move to levels which foster, rather than frustrate, payments equilibrium.

The subcommittee will receive testimony on these subjects with emphasis on international debt on August 23 and 24. For further information contact Robert W. Russell, at 202-224-0891.

NOMINATION

Mr. RIBICOFF. Mr. President, on July 14, the Committee on Governmental Affairs will hold hearings on the nomination of John M. Ferren to be an associate judge of the Superior Court of the District of Columbia. The hearings will begin at 9:30 a.m. in room 3302, Dirksen Senate Office Building.

COAL CONVERSION

Mr. JACKSON. Mr. President, I would like to announce for the information of the Senate and the public that the Senate Committee on Energy and Natural Resources will meet in a business meeting on Wednesday, July 13 at 9:30 a.m. in room 3110, Dirksen Office Building, to consider provisions relating to new facilities in S. 977, the coal conversion bill, and S. 701 and part C of S. 1469, the National Energy Act, regarding energy conservation.

COMMITTEE ON FOREIGN RELATIONS

Mr. PELL. Mr. President, after the recess, the Committee on Foreign Relations will hold four hearings on the proposed Threshold Test Ban and Peaceful Nuclear Explosions Treaties. As chairman of the Subcommittee on Arms Control, Oceans and International Environment of the Committee on Foreign Relations, I have a special interest in these two proposed treaties, and I will be chairing the committee's hearings.

The proposed Threshold Test Ban Treaty would limit both the United States and Soviet Union to weapons tests no larger than 150 kilotons. It was agreed to in mid-1974. However, the executive branch withheld submission of that treaty for the Senate's advice and consent pending agreement on a treaty limiting peaceful nuclear explosions. That second agreement was reached in late May of last year, and the two treaties were sent to the Senate last July. Following a recent review, the executive branch has asked that the committee consider these two proposed treaties.

Accordingly, the first hearing is scheduled on Monday, July 11, at 2:30 p.m. in room 4221 of the Dirksen Building. The Honorable Paul C. Warnke, Director of the Arms Control and Disarmament

Agency, will testify, together with representatives of the Department of State.

Other executive branch witnesses will testify at the second hearing at 2:30 p.m. on Tuesday, July 19. Outside witnesses will testify at the final two hearings on Thursday, July 21, at 10 a.m., and Thursday, July 28, at 10 a.m.

SUBCOMMITTEE ON TAXATION AND DEBT MANAGEMENT

Mr. HARRY F. BYRD, JR. Mr. President, the Subcommittee on Taxation and Debt Management will hold a hearing on July 25, 1977. The subject of the hearing is estate and gift tax problems arising from the Tax Reform Act of 1976, especially those affecting the average estate and estates containing interests in small or closely held businesses.

The hearing will begin at 9 a.m. in room 2221, Dirksen Senate Office Building.

The witnesses are as follows: Lewis M. Costello, Esquire, Past Chairman, Virginia State Bar Section on Taxation; J. Thomas Eubank, Esquire, Director, Probate and Trust Division, American Bar Association Section of Real Property, Probate and Trust Law; Joseph Kartiganer, Esquire, Officer of the American College of Probate Counsel; Doris D. Blazek, Esquire, Estate and Gift Committee of American Bar Association Tax Section.

The hearing is intended to bring to the attention of the Congress and the administration some of the serious problems resulting from the estate and gift tax revisions poured into the Tax Reform Act of 1976.

We want to bring to light a few of the most severe problems—the ones that can and should be acted upon.

These problems have come to the attention of the Finance Committee by letters from concerned taxpayers, not their attorneys or accountants, detailing adverse and arbitrary consequences of 1976 act changes.

The hearing is not in connection with a particular piece of legislation, but is a factfinding investigatory hearing.

We want to look at some of these problems that we have heard about; then we can decide what kind of legislation ought to be drafted.

In particular, the subcommittee will look at the problems in connection with the carryover basis rule—such as the problems of recordkeeping and executor administrative burden; problems having to do with the changes in the gift-in-contemplation-of-death rule; and a variety of problems affecting farmers and small businessmen.

There is much concern about the consequences for the small businessman who has built up his company and now faces the effects of inflation and death taxes on his estate.

Also, many farmers now find their land highly valued, yet have little liquid assets to pay estate taxes.

The committee and the Congress need facts now on which to base sound judgment as to needed changes in these areas of the tax laws.

IMPLEMENTATION OF PRISONER TRANSFER TREATIES

Mr. BIDEN. Mr. President, on July 13 and 14, the Subcommittee on Penitentiaries and Corrections will hold hearings on S. 1682, legislation submitted to the Congress by President Carter to implement treaties signed by the United States and Canada and Mexico providing for the transfer of sentenced criminal offenders so that they may complete the terms of their sentences in their homeland.

The hearings will begin at 8 a.m. in room 6226, Dirksen Building. In order that the subcommittee have the most complete information possible on this complex subject, it is suggested that interested parties contact the subcommittee staff at 224-5461 prior to the hearings.

ADDITIONAL STATEMENTS

(Additional statements are printed at the conclusion of Senate proceedings today.)

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

PUBLIC WORKS APPROPRIATIONS 1978

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of H.R. 7553, which will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 7553) making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1978, and for other purposes.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Oregon (Mr. HATFIELD) is recognized to call up the neutron bomb amendment.

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

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

AUTHORIZATION FOR CERTAIN PERSONNEL TO BE ON FLOOR IN CLOSED SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the closed session, in addition to the Secretary of the Senate, the Assistant Secretary of the Senate, the Legislative Clerk, the Journal Clerk, the Sergeant at Arms, and the Deputy Sergeant at Arms, all of whom are authorized under rule 36, ex-

cept that current titles have been used where they have been changed, that the following personnel be authorized to be on the floor: the Parliamentarian, the Assistant Parliamentarian, the Assistant Legislative Clerk, the Assistant Journal Clerk, the administrative assistant to the Sergeant at Arms, the secretary to the minority and his assistant, the chief counsel and general counsel of the Democratic Policy Committee (Messrs. HART and WILLIAMS), the legislative assistant to the minority leader and the administrative assistant to the Vice President, the official reporters of debate (Mr. Walker, Mr. Perry, Mr. Mohr, Mr. Firshein, Mr. Reynolds, Mrs. Ross, Mrs. Garro, Mr. Smoskey, and Mr. Timberlake), floor assistant to the majority leader, staff counsel—Arms Control Subcommittee.

The ACTING PRESIDENT pro tempore. Is there objection?

Without objection, it is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the official reporters be authorized to take proceedings of the closed session in shorthand; that the notes be transcribed; and that when the session is concluded the original notes be placed in the custody of the Secretary of the Senate and kept secret by him along with other minutes and matters of such nature already in his custody.

The PRESIDING OFFICER. Is there objection? The Chair hears no objection. It is so ordered.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that at the conclusion of the closed door session the complete transcript of the proceedings be personally delivered in a sealed envelope by the chief reporter to Mr. STENNIS; that the transcript of the remarks of each Senator who participated in the debate be made available by Mr. STENNIS under his direction to said Senators for revision of their said remarks, and when this is completed the transcript shall be resealed and put in a secure place for safe keeping for any further disposition by the Senate.

The PRESIDING OFFICER. Is there objection? Hearing no objection—

Mr. BAKER. Mr. President—

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. BAKER. Mr. President, reserving the right to object, and I shall not object: I take this opportunity to add that, for the first time of which I am aware, the Sergeant at Arms has provided an extra measure of security, in addition to those steps that the majority leader has stated, for protection of the written transcript. The Sergeant at Arms has a very effective electronic scanning and search system to make sure that this room is secure. I think the Sergeant at Arms should be commended for that additional safeguard.

I have no objection, Mr. President.

The PRESIDING OFFICER. Is there objection? The Chair hearing no objection, it is so ordered.

Mr. ROBERT C. BYRD. I have one other item, Mr. President, I do this as a matter of course in Senate session. I read

from paragraph 4 of Rule XXXVI with respect to closed sessions.

Any Senator or officer of the Senate who shall disclose the secret or confidential business or proceedings of the Senate shall be liable, if a Senator, to suffer expulsion from the body; and if an officer, to dismissal from the service of the Senate, and to punishment for contempt.

PUBLIC WORKS APPROPRIATIONS, 1978

The Senate resumed the consideration of the bill (H.R. 7553) making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1978, and for other purposes.

Mr. STENNIS. Mr. President, as I understand the order of business is we proceed now to return to H.R. 7553, which is the so-called Public Works appropriations bill; is that correct?

CLOSED SESSION

The PRESIDING OFFICER (Mr. ALLEN). The bill is before the Senate.

Mr. STENNIS. Yes. Well, Mr. President, if we may have quiet, there is an amendment to this bill by the Senator from Oregon that goes into the question here of certain warheads, different types, that is very far reaching in its application.

I have looked into it fully and am completely convinced that we should have a closed session on that amendment, and I move that the Senate now go into closed session for the consideration of the Hatfield amendment, which is highly classified subject matter.

Mr. ROBERT C. BYRD. Mr. President, I second that motion.

The motion has been moved and seconded, Mr. President.

The PRESIDING OFFICER. The motion having been made and seconded that the Senate go into closed session, the Chair, pursuant to rule XXXV, now directs the Sergeant at Arms to clear the galleries, close the doors of the Chamber, and exclude all officials of the Senate not sworn to secrecy.

(At 10:01 a.m. the doors of the Chamber were closed.)

LEGISLATIVE SESSION

At 12:44 p.m., the doors of the Chamber were opened, and the session of the Senate was resumed.

PUBLIC WORKS APPROPRIATIONS, 1978

The Senate continued with the consideration of the bill (H.R. 7553) making appropriations for public works for water and power development and energy research for the fiscal year ending September 30, 1978, and for other purposes.

AMENDMENT NO. 489

Mr. HATFIELD's amendment No. 489 as follows:

On page 3, line 16, strike the period and insert the following: "Provided further, That none of the funds appropriated in this

or any other Act shall be used for production of enhanced radiation weapons."

UP AMENDMENT NO. 625

Mr. STENNIS' UP amendment No. 625 to amendment No. 489 reads as follows:

On line 4 of the amendment of the Senator from Oregon, Mr. HATFIELD, (No. 489), strike the periods and the quotation marks and insert the following: "until an arms control impact statement has been filed with Congress and the President certifies to Congress that these weapons are in the national interest."

The PRESIDING OFFICER. Who yields time?

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. 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. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the time consumed under the quorum call not be charged against either side.

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

Who yields time?

Mr. STENNIS. Mr. President, I will make remarks first regarding the amendment offered.

This brief discussion of 5 minutes by each side, on each of these amendments—one being the Hatfield amendment and the other being my amendment to the Hatfield amendment—is for the general information as to the issue and anything else we might see fit to go into.

The amendment proposed by the Senator from Oregon provides this:

"Provided further, That none of the funds appropriated in this or any other act shall be used for production of enhanced radiation weapons."

There was a good debate here, and a factual statement about what weapons we were talking about and the amounts involved, which are highly classified, of course.

The other point involved in the argument was a procedural matter on the question of whether or not President Carter had fully complied with all the requirements with reference to reporting to Congress and certifying and giving certain expressions and information regarding this kind of weaponry. I will review those facts very rapidly.

It had been developed that the request for this missile was in the Ford budget but did not have the statement with it about the impact, that it had been prepared but got misplaced some way last September or October. The budget came up with the proposed bills, without that statement.

Mr. Carter reviewed the budget, as is known, but he did not have a statement, either. That point was raised—it was purely procedural—and when called to the attention of President Carter through his Secretary for Engineering, they sent up the statement that he was behind the matter and was backing the budget re-

quest, and that he would continue to review the whole picture, that he would send in another statement as required by law.

I propose, therefore, that to clear the matter up—there really was not any dispute about the facts there; there had been a slight omission, but harmless—I propose in this second amendment that we amend the amendment with these words: "until an arms control impact statement has been filed with Congress and the President certifies to Congress that these weapons are in the national interest"—until then, the money cannot be spent. That would be the first item we will vote on here. That will clearly and explicitly point out the weapons, the missiles, here to which this amendment refers, and withholds the funds until the President has filed these reports.

Well, he frankly has to file them under present law anyway, and he has already said he would, that he expects to, and there is no evasion whatsoever on him or on ex-President Ford about it.

So I was trusting, and we have argued, that this amendment be added to the amendment for clarification. Otherwise the matter can be highly misleading and misunderstood by the people and by the people in Western Europe, by those who are our adversaries.

So whatever time I have left on that, Mr. President, I reserve.

The PRESIDING OFFICER. The Senator has 1 minute.

Mr. STENNIS. I reserve that 1 minute.

Mr. HATFIELD. Mr. President, the amendment to my amendment is clearly and simply a copout opportunity for the Senate to avoid facing the question that is inherent in my amendment.

With all due respect to the author of the amendment to the amendment I say we are not answering the procedural question. The procedural question is simply that the Congress of the United States has enacted a law which says an impact statement shall be filed and a finding shall be made by the National Security Council, and forwarded to the Office of Management and Budget, and to the President of the United States; and if the finding is positive, or upon request to the Senate Committee on Foreign Relations, the Senate Committee on Armed Services, the Senate Committee on Appropriations, as well as to the respective committees in the House.

That action has not been followed. The law has not been complied with on this. As late as this morning the information I have acquired from the National Security Council is simply that no statement will be prepared until after President Carter decides to proceed with whether or not to produce the weapon.

The Senate of the United States is divesting itself of the responsibility that the law placed upon us, simply that we should make a determination on the requests of the Executive for moneys to be authorized and appropriated after we have the information. We do not have the information as to what the President of the United States position is on this, or what the previous President of the United States position was on it. We do not have the impact statement.

We have not completed the 6-month weapons review the President has ordered. That apparently will be finished in August. All we have heard today is arguments that somehow we must divest ourselves of this responsibility, to give the President flexibility to act. I suggest this is not the proper procedure.

I am not going to argue on the issue of the warhead itself. We have gone through 2½ hours of that. I am only going to say this: that my amendment does not make a final determination on the question of the warhead. I am only asking for delay until all the information is here, until we have a basis upon which to make our judgment so we can make our judgment accurately and effectively.

When we go ahead and give the President this kind of authority, this kind of appropriation money, I think we are not upholding our basic responsibility.

My ultimate hope may be to eliminate this warhead from ever coming into our arsenal, but that is not the issue here today; and no one can claim, if my amendment passes without the encumbrance of the amendment of the Senator from Mississippi—which I hope will be defeated, let me say—that that should not end the question on whether we should adopt the nuclear warhead we have been debating.

So let me say to my colleagues all I am asking for is a delay in order to comply with the law, to get the information upon which we can make the judgment.

May I say that everything we have discussed up to this point has been more by discovery than by careful deliberation. We discovered it was in the budget. We discovered that no President has actually approved it for production purposes. We discovered that the Committee on Armed Services did not consider an arms impact statement. We discovered the Appropriations Committee really did not understand the implications of this weapon from its hearing on it. And we discovered that Congressional Budget Office also had some concerns about it. In other words, this whole thing has stumbled into our lives, and it has too great a magnitude for us to just pass over it in a cursory way and say, "Appropriate the funds and let the President make the decision later."

This is our responsibility. We cannot afford to utilize a copout vehicle, which the amendment to the amendment is. I would urge the Senate to defeat the amendment to the amendment and face up to the basic question that was put forth initially by my original amendment.

Mr. STENNIS. Now, Mr. President, if we may have quiet by the membership, the staff members and all, let us see now. This matter was requested by President Ford through the regular channels, through the determination of his assistants, and he sent the budget on up here with a request, sent the bills along with it, to carry out the mission.

On the change of administration exactly the same thing happened. The requests came in, as they do all the time. The only thing short was this certificate that, under the Ford administration, we found was prepared but then apparently

misplaced. Now we have here this letter from the present President of the United States, that, yes, that is exactly what he wants, and he wants that in this bill to make preparation for procurement if it comes.

He continues to review it, and he will comply with this special law that requires a report to the Congress which, of course, will be carried out. It does not provide for any action by Congress, but merely to file a report.

I hope we will support the amendment.

ADDITIONAL STATEMENTS SUBMITTED ON AMENDMENT NO. 489

Mr. HEINZ. Mr. President, a few minutes ago the Senate in closed session concluded its discussion of the Hatfield amendment and amendments thereto. The question, of course, was whether the Senate should appropriate money at this time for the production and deployment of enhanced radiation weapons. Since this debate was closed to the public, I ask unanimous consent that my prepared text, which was the basis for my remarks in closed session, be printed in the RECORD at this point.

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

NEUTRON BOMB

I am not convinced that a case has yet been made for the neutron bomb—let alone whether it's a good case or a bad case—and therefore I wonder whether it is not premature to include funds for it in this public works bill.

Though the Administration has requested funding for the bomb, it cannot actually be said that the President supports it. Apparently he wasn't even aware of it until reports surfaced in the press. Even then, his opinion was that a decision could be postponed until next fall—and indeed, given lack of information and analysis, that it should be postponed.

No impact statement was prepared (causing Senator Pell, Chairman of the Arms Control Subcommittee of the Senate Foreign Relations Committee, to speculate that the law might have been violated); Congressional hearings in any event have been closed and only cursory at best; and the Appropriations Committee itself split 10-10 on the issue.

What the President argues is quite another issue from the neutron bomb itself: namely, that we should appropriate money for the bomb just in case he decides to go ahead with it—so that he may have some flexibility when he finally evaluates its merits and comes to a decision.

This is an incredible fiscal principle for a President who claims to be a budget-balancer. There are plenty of other decisions up in the air on all sorts of government undertakings besides this one: Should we give the President a blank check budget every year just in case he decides to go ahead with things that he couldn't justify at the time the budget was passed?

I say, if a case can be made for the bomb—particularly if our national security is said to hang in the balance—then we'll be only too happy to pass a supplemental. If need be, we could even set out at that time an accelerated timetable for the bomb's development. Until then, however, I don't see the urgency. The President doesn't seem to mind biding his time making a decision; neither should we.

Some will say that the Congress is not really being asked to spend any money, but merely to allow the President such an option. This is doubletalk. If we would be willing to let the President spend the money, then we

certainly ought to be willing to spend it ourselves. That's what it amounts to. It is Congress, after all, that passes appropriations.

Moreover, the reality is that, if the money's available, the bureaucratic imperative will be to use it. Everyone will point to the fact that Congress did in fact appropriate the money. The inference will be drawn that we endorsed the spending of it. Congress won't have the purse strings left to pull if, after opinion becomes more informed in a few months, we decide to ask some harder questions about this new weapon.

Classified or not, a hard case should be made before the Pentagon plunges into new spending, particularly spending on something that represents a new generation of technology. This will have long-run cost implications far beyond the present public works bill. Putting our entire European battlefield force on such a new footing—as some of our neutron-bomb advocates foresee—is an enormously expensive proposition. FY 1978 money is not all that we are or should be considering in making this decision.

For that matter, it is my understanding that not all of the FY 1978 money is even contained in the present bill. Apparently OMB has required the army to absorb the costs of such things as transfer and storage containers, "permissive activation linkage" hardware, and specialized ground support. If the army has had to reduce spending for other purchases as a result, we should be sure that the trade-off has been carefully weighed.

The neutron bomb, however, is not merely a matter of budget implications—as important as those are—but also a matter of what profound changes this may portend in our strategic posture and in superpower deterrence, something we consider the pillar of peace.

Some advocates of the bomb have put forward what to me is a peculiar strategic argument: that the likelier we would use nuclear weapons, the more deterred an adversary will be and the safer our world. This is a bit paradoxical if not outright contradictory. If the world's nuclear arsenal comes to include weapons that are considered "smaller" and "cleaner" than what we're used to, then what this means to me is that the threshold of nuclear war has been lowered and the very chance of nuclear war increased.

It is not enough to say that the United States would never resort to "first-use." Our government has studiously avoided committing itself on this score, and I happen to think that's a good idea, for the sake of maintaining options and the credibility of threats. The fact is, when our last conventional shell is spent, and if we're in the mood to hope that nuclear war can really be contained, the temptation will be considerable to use whatever weapons are left. Unfortunately, it has never been clear that even a "tactical" nuclear war can be fought in other than a spirit of escalation. One thing may well lead to another in such a frenzied moment.

The present debate is reminiscent of the ones we have entertained in the last few years on counterforce and tactical nuclear weapons. I'm not sure we've ever resolved one particular, fundamental question: Is deterrence better achieved if the other side thinks we're more likely to go to war but with less destructive weapons, or if it thinks we are less likely to go to war but with more destructive weapons? That is to say, is the adversary more deterred if it knows we have at our disposal highly accurate, surgical-strike type weapons which are considered "damage-limiting" (because they target weapons installations, industrial capacity, and armed force concentrations rather than civilian population) and which policy-makers might therefore be less loath to use; or is an adversary better deterred if it realizes that we have

only cruder and more destructive weapons (with an emphasis on throw-weight rather than accuracy) which would assure "unacceptable" losses to the other side, but therefore which our policy-makers would be more loath to use.

This is the context in which the neutron bomb might best be debated. It is a debate in which the Congress has a special role, since it requires political and philosophical judgments as much as technical ones.

Technical matters, incidentally, are not unimportant. I would not mind seeing more information on the cost-effectiveness of the neutron bomb, and in particular what counter-measures the Soviets might be expected to take—which could not only neutralize our new weapon but simply end up provoking our arms competition to a higher level. We might achieve no net security gain, but only bigger military budgets.

Finally, let me mention some other disturbing questions—which I don't have answers to, but which I do think deserve to be raised early on.

Are we being asked here to approve a nuclear weapon that is even more repugnant than usual, which is literally dehumanizing? The neutron bomb, after all, singles out people for destruction, choosing to preserve buildings instead. Moreover, it works its effects by radiation rather than the more traditional emphasis on blast and heat. Laboratory experiments seem to indicate that while its victims are almost instantly incapacitated, they may in fact linger on near death for days. Whatever the technical distinction, I am afraid that to perpetrate death by neutron radiation smacks of the sort of chemical and biological warfare which has historically outraged civilized nations and which the United States has at times strongly condemned.

Secondly, is it possible that acquisition of a bomb which blurs the distinction between tactical nuclear weapons and conventional ones will discourage our European allies—and even the Pentagon—from putting money into conventional weapons? I wonder, for example, whether our money might not be more productively spent closing the "tank gap" between NATO and the Warsaw Pact.

Lastly, now that we're all recognizing these days the crying need to curtail nuclear proliferation, what will the rest of the world think to see the superpowers not only continuing to accumulate the old nuclear weapons but going ahead to develop more and more exotic ones?

Though I have raised questions about the neutron bomb, I am not willing to oppose it in principle until the Pentagon has had more of a chance to present its case. But present it they must before I can support it.

Mr. CLARK. Mr. President, I rise in support of the proposed amendment by the distinguished Senator from Oregon, which would have the effect of blocking funds for this year for the production of so-called, "enhanced radiation" nuclear warheads.

I do this, Mr. President, without prejudice to my final position on this issue. For indeed, I do not know whether the United States should proceed with the production of these weapons. But that is just the point. I do not think the Members of this Senate know yet whether this is a good idea. My opposition to proceeding at this juncture stems precisely from this conviction that we have not yet given the attention to the issue, nor received sufficient information on it, to justify such a momentous decision. For that is what it is.

There are, I think two basic reasons for not acting at this time.

First, as the Senator from Rhode Island has already informed the Members, the executive branch has failed to comply with the law. According to the Arms Control and Disarmament Act, requests for appropriation for nuclear weapons must be accompanied by an arms control impact statement analyzing the effect on arms control and disarmament policy and negotiations.

Let me quote the citation—I ask unanimous consent to have printed in the RECORD the full text.

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

Section 36(a)(1) "any program of research, development, testing, engineering, construction, deployment, or modernization with respect to nuclear armaments, nuclear implements of war . . . (b)(2) any request to the Congress for authorization or appropriations for (and here it refers to the above paragraph) . . . shall include a complete statement analyzing the impact of such program on arms control and disarmament policy and negotiations."

ARMS CONTROL IMPACT INFORMATION AND ANALYSIS

SEC. 36. (a) In order to assist the Director in the performance of his duties with respect to arms control and disarmament policy and negotiations, any Government agency preparing any legislative or budgetary proposal for—

(1) any program of research, development, testing, engineering, construction, deployment, or modernization with respect to nuclear armaments, nuclear implements of war, military facilities or military vehicles designed or intended primarily for the delivery of nuclear weapons,

(2) any program of research, development, testing, engineering, construction, deployment, or modernization with respect to armaments, ammunition, implements of war, or military facilities, having—

(A) an estimated total program cost in excess of \$250,000,000, or

(B) an estimated annual program cost in excess of \$50,000,000, or

(3) any other program involving weapons systems or technology which such Government agency or the Director believes may have a significant impact on arms control and disarmament policy or negotiations, shall, on a continuing basis, provide the Director with full and timely access to detailed information, in accordance with the procedures established pursuant to section 35 of this Act, with respect to the nature, scope, and purpose of such proposal.

(b)(1) The Director, as he deems appropriate, shall assess and analyze each program described in subsection (a) with respect to its impact on arms control and disarmament policy and negotiations, and shall advise and make recommendations, on the basis of such assessment and analysis, to the National Security Council, the Office of Management and Budget, and the Government agency proposing such program.

(2) Any request to the Congress for authorization or appropriations for—

(A) any program described in subsection (a)(1) or (2), or

(B) any program described in subsection (a)(3) and found by the National Security Council, on the basis of the advice and recommendations received from the Director, to have a significant impact on arms control and disarmament policy or negotiations,

shall include a complete statement analyzing the impact of such program on arms control and disarmament policy and negotiations.

Mr. CLARK. Any program—with respect to nuclear armaments—shall include a complete statement analyzing the impact.

Surely, Mr. President, a weapon of the nature of the enhanced radiation warhead unquestionably falls in this category, and, the congressional requirement for an arms impact statement is fully justified, for it demands of the Executive a thoughtful and reasoned analysis of the overall significance of the weapon under consideration.

The executive branch submitted no such impact statement on the Lance enhanced radiation warhead. Last week the chairman of our Subcommittee on Disarmament asked the honorable Paul Warnke, Director of the Arms Control and Disarmament Agency, to have such a statement prepared on an urgent basis. Mr. Warnke provided his analysis to the National Security Council yesterday morning. But the coordinated statement is not available now, and will not be available this week.

Mr. President, the requirements of the law are clear. Before we appropriate money for a system, we must know what that system will do. We must have this impact statement. The lack of this alone, it seems to me, justifies withholding Senate approval at this time.

Furthermore, Mr. President, the executive branch is only now embarking on a study of the need for these weapons. The President will not make his decision on our overall nuclear weapons policy for several months. These enhanced radiation weapons in this bill will be a central part of the considerations. As the President's decision on the B-1 yesterday morning demonstrates decisions on such complex weapons questions as these are not necessarily predictable. In this circumstance, why do we want to engage in a blank check for appropriations? Mr. President, if the President of the United States can wait until fall to make this decision, why does the Senate of the United States have to act today?

Mr. President, beyond these procedural questions are fundamental questions involving our commitment and interest in arms limitation, our national security requirements, and our foreign policy interests. On the surface, it appears attractive to develop and deploy so-called "clean" nuclear weapons. But what are we really talking about?

The nuclear warheads under discussion are "clean" only to the extent that they will do less damage individually to the physical surroundings than the weapons they were designed to replace. But even according to newspaper accounts, we know that the weapon to be carried by the Lance warhead will destroy buildings and bridges and houses for a great radius around the explosion—far greater than any conventional weapon we possess. Let us make no mistake: This is a nuclear warhead. The fact that it manages to reduce blast and thermal impact while maintaining the

same level of lethal neutron radiation hardly qualifies it as a "clean" weapon, except, I guess, to those among us nowadays for whom the words "kilotons" and "megatons" seems to have lost their terrible meaning.

But, let me concede for a moment that the enhanced nuclear weapon is marginally less destructive when used singly than a regular nuclear warhead, and that it might be possible to destroy an advancing enemy armored column through neutron bombardments with somewhat less destruction to the surroundings than possible with other nuclear weapons. This has, it seems to me, very ambiguous ramifications for arms control.

On the one hand, it is argued that it makes the nuclear deterrent more credible. Potential attackers, we are told, would more readily believe that we would use a warhead of this nature, particularly in allied areas, because it would be less destructive of the surroundings.

I have to accept that. I have to agree that commanders would be more inclined to use such a weapon than a similar weapon which would blow up more of the surrounding landscape.

But just for that reason I think the enhanced radiation warhead might be an incredible threat to our own security. For I find it hard to believe that a nuclear exchange is going to remain confined to just a couple of our "clean" bombs.

For one thing, who is going to guarantee that the Soviets are so thoughtful as to reply with enhanced radiation "clean" bombs?

So far as we know, they do not even have them at this time. But why should they necessarily forgo the additional blast and thermal effects?

But more than this. I find the concept of a "limited" nuclear exchange—clean or not—extremely dubious. I cannot really imagine that when a nuclear exchange takes place everyone—including ourselves—will limit it to "clean" bombs. In a nuclear exchange it is awfully hard to see the sign "clean" on incoming nuclear warheads.

Indeed, I think it is vitally important to retain the distinction between conventional and nuclear war. I think nations and leaders must be aware that when they go nuclear, they are introducing an entirely new dimension into the conflict. Nuclear war must remain so clearly a step into the terrible unknown that nobody will venture to try it. The introduction of supposedly "clean" weapons the illusion of some sort of benign nuclear exchange, threatens to blur that distinction, and as such is potentially a dangerous trigger to nuclear holocaust.

It would, as the Washington Post described it,

Set NATO's nuclear force on more of a hair trigger, when sound strategic doctrine demands a reliable safety catch; and it would commit NATO more deeply to the dangerous premise that a small nuclear exchange can be conducted without serious risk of expanding into a general nuclear war.

Mr. President, I would like to note that two recent Directors of the Arms

Control and Disarmament Agency emphasized the importance of maintaining just that distinction. In an exchange in 1976 the distinguished former disarmament subcommittee Chairman Stuart Symington was emphasizing the dangers of developing "mini-nukes" of limited yield which would blur this dividing line. ACDA head, Fred Ikle replied,

I agree with the importance of preserving the dividing line between nuclear weapons and conventional ones.

And back in 1974, a well-known and respected private commentator on arms control issues, Paul C. Warnke, told a Foreign Relations Committee subcommittee that the prospects of developing smaller, neater and cleaner tactical nuclear weapons, the so-called mini-nukes, appalled him. "To the extent that mini-nukes blur the distinction between conventional weapons and nuclear weapons," said Mr. Warnke, "they lower the nuclear threshold." They would Mr. Warnke went on,

Make the consequences of use of tactical nuclear weapons less dire in the minds of the potential attacker and, as a consequence, they would not constitute to the same extent the degree of deterrent that a weapon which is clearly different in kind now presents.

Mr. Warnke, as we know, is now head of ACDA. And his conclusion as to what the use of those smaller, cleaner weapons would mean was simple and direct:

And once the nuclear threshold is crossed the process of escalation could become irreversible.

To quote Secretary of Defense Harold Brown on this issue at the time of his confirmation hearings:

I do not think it at all likely that a limited strategic nuclear exchange would remain limited. I would be very cautious about structuring the force and expanding a great deal of effort on making the force able to engage at length in a limited strategic nuclear war.

That Mr. President, makes a lot of sense. As I said at the opening statement, I come to this discussion without any preconceptions. I honestly have not yet formed a final opinion on whether the additional "credibility" of the enhanced radiation weapon justifies the extent to which it might lead to "going nuclear", and trigger with it a full nuclear exchange. But I am convinced that the question is serious enough that it should be thoroughly explored in hearings and in a public discussion. And that is why I feel that appropriating these funds now is premature, and should await the results of our inquiry.

Therefore, I support Senator HATFIELD's proposal to block that funding at present.

The PRESIDING OFFICER. All time on the amendment has expired. The question is on agreeing to the amendment of the Senator from Mississippi to the amendment of the Senator from Oregon. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER (Mr. Ford). Let the clerk suspend.

Senators will clear the well and take their seats.

The assistant legislative clerk resumed the call of the roll.

Mr. TOWER. Regular order.

Mr. HATFIELD. Regular order, Mr. President.

The PRESIDING OFFICER. The regular order is for Senators in the Chamber to vote.

The assistant legislative clerk resumed and concluded the call of the roll.

Mr. CRANSTON. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. McCLELLAN), and the Senator from Montana (Mr. METCALF) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL), the Senator from Hawaii (Mr. INOUE), and the Senator from South Dakota (Mr. MCGOVERN) are absent on official business.

Mr. BAKER. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Massachusetts (Mr. BROOKE), the Senator from Arizona (Mr. GOLDWATER), the Senator from Michigan (Mr. GRIFFIN), the Senator from Virginia (Mr. SCOTT), the Senator from Alaska (Mr. STEVENS), and the Senator from Wyoming (Mr. WALLOP) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT) is absent due to illness.

The result was announced—yeas 43, nays 42, as follows:

[Rollcall Vote No. 271 Leg.]

YEAS—43

Allen	Hollings	Roth
Baker	Jackson	Schmitt
Byrd	Johnston	Schwelker
Harry F., Jr.	Laxalt	Sparkman
Eyrd, Robert C.	Long	Stafford
Cannon	Lugar	Stennis
Chiles	Magnuson	Stevenson
Curtis	McClure	Stone
Domenici	McIntyre	Talmadge
Garn	Morgan	Thurmond
Glenn	Nunn	Tower
Hansen	Packwood	Welcker
Hatch	Pearson	Young
Hayakawa	Randolph	Zorinsky
Helms	Ribicoff	

NAYS—42

Abourezk	Dole	Mathias
Anderson	Durkin	Matsunaga
Bayh	Eagleton	Melcher
Biden	Ford	Metzenbaum
Bumpers	Hart	Moynihan
Burdick	Haskell	Muskie
Case	Hatfield	Nelson
Chafee	Hathaway	Pell
Church	Heinz	Percy
Clark	Huddleston	Proxmire
Cranston	Humphrey	Riegle
Culver	Javits	Sarbanes
Danforth	Kennedy	Sasser
DeConcini	Leahy	Williams

NOT VOTING—15

Bartlett	Goldwater	McGovern
Bellmon	Gravel	Metcalfe
Bentsen	Griffin	Scott
Brooke	Inouye	Stevens
Eastland	McClellan	Wallop

So Mr. STENNIS' amendment was agreed to.

Mr. STENNIS. Mr. President, on the next amendment—

Mr. HATFIELD. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LONG. Point of order, Mr. Presi-

dent. The mover must be on the prevailing side to move to reconsider a vote.

Mr. STENNIS. Mr. President, do I have the floor?

The PRESIDING OFFICER. The Senator from Louisiana suggested a point of order. The point of order is well taken, since the Senator from Oregon voted on the losing side.

The Senator from Oregon is recognized.

The Senator will suspend. Will Senators take their seats, and will the Senate come to order?

Mr. HATFIELD. Mr. President—

The PRESIDING OFFICER. The Senator will suspend until the Senate comes to order. Will Senators take their seats? The Senator may proceed.

Mr. HATFIELD. Mr. President, I am now in one of those very unhappy situations of trying to deny parentage of an amendment which now bears my name. It has been successfully neutered, using a nonbarnyard term, of its original intent and original purpose.

Mr. STENNIS. Mr. President, may we have quiet? There is only 5 minutes to the side.

Mr. HATFIELD. The vote, even though it was close, clearly indicates that the only message the Senate wishes to send to the President, or to anyone else, is that we only expect the President to comply with the law that he is bound by law to follow. We have basically only repeated ourselves. The production money, which I sought to delete, of a warhead which carries with it many implications that were obviously discussed and debated in great depth this morning in closed session, will be made available for production purposes once the President has submitted the impact statement, and once the President has certified to the Congress that it is in the national interest.

Mr. President, that is required by law. The President must sign off of any weapons system before it goes into production anyway. So I repeat we have really not said anything here today. In my view this action is but a sidestep from the real issue. It shows a desire not to face up to the question of this weapon as it relates to production.

Again, I emphasize, my amendment would not have decided the question of the weapon, but would merely postpone action on production until the information is available and until the law's requirements have been met with. Speaking only for myself, my ultimate hope is that this weapon never enters our arsenal, but that is not the issue that we were arguing this morning. I repeat that this is not an issue today.

Therefore, Mr. President, I am going to ask at this time that the amendment that I originally offered, now as amended by the action of the Senate with the Stennis amendment, for which at one time I had great affection and love of parentage, I am now going to deny that fatherhood and ask that it be laid on the table.

The PRESIDING OFFICER. The motion is not in order until the time has expired.

Mr. HATFIELD. Yes, I shall ask that when the time comes.

Mr. NUNN. Mr. President, will the Senator from Mississippi yield me 10 seconds?

Mr. STENNIS. Yes, I am glad to yield, but I want to know what the parliamentary situation is.

Will the Chair indulge me just a minute?

Mr. President, I should not mind yielding, but the unanimous-consent agreement was that the Senator from Oregon and I would share the time that has been allotted.

Mr. NUNN. I just want 10 seconds for unanimous consent to make a statement at this time.

Mr. STENNIS. I am bound by the unanimous-consent agreement we are working under. If the Senator wants to ask unanimous consent for that, I shall give him the time.

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

WHAT THE NEUTRON BOMB WILL NOT DO

Mr. NUNN. Mr. President, many times in this debate, proponents and opponents have tended to overstate their arguments and confusion has been the result. I, therefore, feel that I should state what this weapon will not do.

First, it will not totally redress the military balance in Europe.

Second, it does not obviate the need for strong conventional defense.

Third, it does not make our entire tactical nuclear posture in Europe credible.

Finally, it does not make absolutely credible the U.S. strategic guarantee to Europe.

It is, however, a step toward restoring the credibility of our present tactical nuclear posture.

The central issue we face relating to the neutron warhead is who is going to be deterred—we or the Soviets?

The essence of the argument against the neutron warhead is that we should not develop nuclear weapons that we can use; rather that we should keep these weapons so dirty and destructive in blast and heat effects that there will be great reluctance on the part of the President, the NATO chain of command, and our European allies to use them.

Both proponents and opponents can agree on the basic premise that we hope we will never have to use nuclear weapons of any type.

Where, then, do we disagree?

Opponents believe that weapons whose use is credible become weapons whose use is more likely. I submit, however, that weapons whose use is credible become weapons whose use is less likely. The likelihood of our being compelled to use tactical nuclear weapons increases as the credibility of their use decreases.

The opponents' basic premise leads to the conclusion that the deterrence they seek is a self-deterrence, whereas the deterrence I seek and which NATO must seek is a deterrence of the Soviet Union and the Warsaw Pact.

Opponents seek to convince our chain of command that our tactical nuclear weapons must not be used. I seek a posture which demonstrates to the Soviets

that we have weapons which we are willing to use should they invade.

Those who oppose the warhead apparently believe in self-deterrence; that is to say, that we should keep the weapons so destructive we would never use them or if we did use them, it would be only under the most desperate of conditions. The fault with this argument is that if the Soviets perceive this to be our posture, then deterrence is weakened, and by extension, the likelihood of Soviet aggression is increased. Thus, if we deter ourselves, we encourage the very war we seek to avoid, and we make more likely the necessity to use weapons which we hope never to use.

I do not state to my colleagues in the Senate that a Soviet invasion of Western Europe is inevitable, nor do I state that it is likely. I do state, based purely on a military analysis, that it is the least unlikely of the possible scenarios of Soviet military aggression. By deterring ourselves from using tactical nuclear weapons except weapons which would destroy the territory we are pledged in NATO to protect, the advantages which the Soviets now maintain in conventional forces are greatly magnified, and the least unlikely scenario becomes even less unlikely.

I remind my colleagues that the purpose of deterrence in Europe is to deter Soviet aggression, not to deter ourselves from responding to that aggression. The Soviets are not deterred by NATO weapons which the alliance probably cannot use. They are deterred by weapons whose use is credible. If we do not have usable weapons, then we do not have deterrence, and if we do not have deterrence, then we may end up being forced to use unusable weapons or to capitulate. We must not invite the very aggression we seek to deter.

Mr. STENNIS. Mr. President, this is the time that was agreed on, when we would explain the matters that were pending here. Those that were at the debate already know that this matter has been gone into fully on the facts and on the law. I merely offered this little amendment which has been adopted:

Until an arms control impact statement has been filed with Congress and the President certifies to Congress that these weapons are in the national interest.

That was just to state the sentiment here that we are concerned, that we do want to be certain to have this report from the President. I want the bill to move on, though, and let the Senate's will be reflected. We cannot go back to these appropriations bills.

Now, with this language added, I do not see where there can be any objection to it at all unless one is totally opposed to the idea of the weaponry itself. It has been thoroughly gone over here that this small warhead, I call it, for the Lance missile, on which we rely in Western Europe, is a step forward in that it carries, more or less, the radius of a pistol shot, as compared to the radius of a shotgun shot, in the spread of its effect.

If it is used—which God forbid—it can be centered on the adversary and the military part of the adversary far, far, better—far better—than the regular

warhead. These things come and go, but the idea of having this weapon under this amazing control, with a limited application, is the best news that I have heard in years to relieve the situation as to a probably human kill and reduce greatly the chances. At the same time, it carries a tremendous deterrent force—and that is what we want, a deterrent force—to the adversary. Here is the message that this technology permits the perfection of this little warhead to this very limited area and, therefore, is better able to concentrate its great destruction upon the adversary's military units.

In that way, I think it is a tremendous factor. It carries its deterrence in a greater way, carries a probable kill of fewer innocent human beings and bystanders and people of Western Europe, including the great number of dependents of our own people that we have there.

This greatly clears the air. I hope that the amendment, in its present form, passes. We shall still have to have the certificate and the judgment of the President of the United States before we can spend this money.

The PRESIDING OFFICER. The Senator from Oregon has 2 minutes. Who yields time?

Mr. STENNIS. Mr. President, I am ready to yield back my time, if that is the desire of the Senator from Oregon.

Mr. HATFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Oregon will state his inquiry.

Will the Senator suspend? The Senator will come to order.

The Senator may proceed.

Mr. HATFIELD. Mr. President, is it possible to offer a substitute amendment?

Several SENATORS. We cannot hear.

Mr. HATFIELD. Is it possible to offer a substitute amendment for the pending amendment?

Mr. STENNIS. Mr. President, will the Senator repeat his question?

The PRESIDING OFFICER. A substitute is in order for the amendment, but there is no time for debate.

Mr. STENNIS. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. STENNIS. We had a unanimous-consent agreement here, as to those two amendments that we have before us, that we would vote on those under a limitation of time. Certainly, that carries it with the idea of no others.

The PRESIDING OFFICER. The order did not preclude further amendments. There is no additional time for debate.

Mr. STENNIS. Is that the established precedent of the Senate?

The PRESIDING OFFICER. That is correct.

Mr. JOHNSTON. Point of order, Mr. President. Does not the motion to lay on the table have to be voted on before a substitute amendment—

The PRESIDING OFFICER. The motion to table could not be made before all time had expired.

Mr. ABOUREZK. Regular order, Mr. President. Can the amendment be stated?

Mr. HATFIELD. I ask that the amendment be stated.

Mr. LONG. Point of order, Mr. President.

The PRESIDING OFFICER. Let the clerk state the amendment.

The assistant legislative clerk read as follows:

The Senator from Oregon (Mr. HATFIELD) proposes unprinted amendment No. 626.

In lieu of the language proposed to be inserted by the Hatfield amendment No. 489 (as amended) insert the following: "Provided, further, That no part of this appropriation shall be used for production of enhanced radiation weapons."

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. LONG. Was it agreed in the unanimous-consent agreement that there would be a limitation on debate on amendments to the amendment?

The PRESIDING OFFICER. No.

Mr. LONG. If there was no agreement to limit debate on amendments to the amendment, I should have to submit that the amendments to the amendment would be subject to debate.

The PRESIDING OFFICER. It is not, under the precedents of the Senate.

The question is on agreeing to the amendment.

Mr. STENNIS. Mr. President, is it in order to make a motion to lay on the table the proposed substitute amendment?

The PRESIDING OFFICER. The Senator is correct, that will be in order when all time has expired—there is no time.

Mr. ALLEN. Will the Senator yield?

Mr. STENNIS. I yield to the Senator from Alabama.

Mr. ALLEN. I believe what the Senator from Mississippi would like to do is move to table the Hatfield amendment as amended, which would carry with it the secondary substitute.

Mr. STENNIS. Mr. President, I have the floor.

Mr. ABOUREZK. Parliamentary inquiry, Mr. President.

Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER. The Senator is not in order.

Mr. STENNIS. Mr. President, I move to lay on the table—

Mr. ABOUREZK. A parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. The Senator from South Dakota will state his inquiry.

Mr. ABOUREZK. I understood the Chair to announce that the Senator from Oregon had 2 minutes remaining. He has not been allowed any debate. Is that the correct amount of time he has remaining?

The PRESIDING OFFICER. That was on the prior amendment.

Mr. HATFIELD. I believe I had the floor when the Chair recognized me to offer my amendment, and I have not yielded the floor.

The PRESIDING OFFICER. The Senator has no time on this amendment.

Mr. HATFIELD. There is no time limitation or agreement on this amendment to the amendment, is there, Mr. President?

The PRESIDING OFFICER. Under precedents, there is no time for debate on the Senator's amendment.

Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER. The question now is on agreeing to the motion to lay on the table the Hatfield amendment, as amended.

Mr. STENNIS. Mr. President, I move to table the Hatfield amendment, as amended.

The PRESIDING OFFICER. The Chair states that the question is on agreeing to the motion to lay on the table the Hatfield amendment, as amended.

Mr. HATFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HATFIELD. Does that take the whose amendment, as amended by the Stennis amendment previously adopted?

The PRESIDING OFFICER. And the substitute.

Mr. WEICKER. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The yeas and nays have been ordered and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

The PRESIDING OFFICER. The clerk will suspend. Senators will please take their seats or retire to the cloakroom for conversation. Senators will clear the well.

The clerk may proceed.

The call of the roll was continued.

Mr. ROBERT C. BYRD. Mr. President, may we have the well cleared so that Senators can see the Chair?

The PRESIDING OFFICER. The Chair has been attempting that and appreciates the majority leader's calling attention to it.

The clerk may proceed.

The second assistant legislative clerk resumed and concluded calling the roll.

Mr. WEICKER. Regular order.

The PRESIDING OFFICER. Regular order is called for.

Mr. CRANSTON of California. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Arkansas (Mr. MCCLELLAN), and the Senator from Montana (Mr. METCALF) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL), the Senator from Hawaii (Mr. INOUE), and the Senator from South Dakota (Mr. MCGOVERN), are absent on official business.

Mr. BAKER. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Massachusetts (Mr. BROOKE), the Senator from Michigan (Mr. GRIFFIN), the Senator from Virginia (Mr. SCOTT), the Senator from Alaska (Mr. STEVENS), and the Senator from Wyoming (Mr. WALLOP) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT) is absent due to illness.

The result was announced—yeas 79, nays 7, as follows:

[Rollcall Vote No. 272 Leg.]

YEAS—79

Allen	Goldwater	Moynihan
Anderson	Hansen	Muskie
Baker	Hart	Nelson
Bayh	Haskell	Nunn
Biden	Hatch	Packwood
Bumpers	Hatfield	Pearson
Burdick	Hathaway	Pell
Byrd	Hayakawa	Proxmire
Harry F., Jr.	Heinz	Randolph
Cannon	Helms	Ribicoff
Case	Hollings	Riegle
Chafee	Huddleston	Roth
Chiles	Humphrey	Sarbanes
Church	Jackson	Sasser
Clark	Javits	Schmitt
Cranston	Johnston	Schweiker
Culver	Kennedy	Sparkman
Curtis	Laxalt	Stennis
Danforth	Leahy	Stone
DeConcini	Long	Talmadge
Dole	Lugar	Thurmond
Domenici	Magnuson	Tower
Durkin	Mathias	Weicker
Eagleton	Matsunaga	Williams
Ford	McIntyre	Young
Garn	Metzenbaum	Zorinsky
Glenn	Morgan	

NAYS—7

Abourezk	Melcher	Stevenson
Byrd, Robert C.	Percy	
McClure	Stafford	

NOT VOTING—14

Bartlett	Gravel	Metcalf
Bellmon	Griffin	Scott
Bentsen	Inouye	Stevens
Brooke	McClellan	Wallop
Eastland	McGovern	

So the motion to lay on the table was agreed to.

The PRESIDING OFFICER. Senators will take their seats, and the Senate will come to order.

Mr. HATFIELD. Mr. President, I make a parliamentary inquiry. What is the parliamentary situation?

The PRESIDING OFFICER. All the amendments to title I were eliminated. Title I is now amendable.

UP AMENDMENT NO. 627

Mr. HATFIELD. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Oregon (Mr. HATFIELD) proposes an unprinted amendment numbered 627:

On page 3, line 16, strike the period and insert the following: "Provided further, That none of the funds appropriated in this or any other Act shall be used for production of enhanced radiation weapons, until an arms control impact statement has been filed with Congress and the President certifies to Congress that these weapons are in the national interest. *Provided further however,* That the funds may not be used for the production of enhanced radiation weapons if within sixty days either House of Congress agrees to a resolution disapproving such use.

Mr. HATFIELD. Within 60 days.

Mr. STENNIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. STENNIS. I make a point of order that under the special dispensation, here, of the Senate, we had this agreement about voting on the two original amendments that were here. I made a

motion to table, after the amendment I had offered had been adopted, but that was under the duress of the Chair having ruled that one could be offered as a substitute, another amendment could be offered, not one of the two.

I respectfully submit to the Chair and to the Senate that this amendment on the same subject matter is not in order.

I point out, Mr. President, that we were here 2 hours in secret session and went into all the facts and the law on this matter very thoroughly. Now, in open session, we are going right back into the same subject matter. It would be debated as an original proposition, which lends great strength, as the Senator from Mississippi sees it, to his original position that the Senate did not have authority under the unanimous-consent agreement to depart from the original agreement.

The PRESIDING OFFICER. The Chair advises the Senator that those amendments were defeated by tabling. The title is now open for amendments. The amendment submitted by the Senator from Oregon is substantially different from the other amendments, and therefore it is in order.

Mr. HATFIELD. Mr. President, I will say a few words in explanation of the amendment.

Under the unanimous-consent agreement, we had 2 hours in closed session and 2 hours in open session. So we still are well within that particular time arrangement.

The amendment I have offered is basically the Stennis amendment which was offered first as an amendment to my initial amendment.

It includes, however, the additional language "after the impact statement has been made and after the President has certified to the Congress that this weapon is in the national interest."

All we are asking now is that Congress be given a voice in that final determination by providing that Congress, by a simple resolution of either House, within 60 days, may vote "no." Earlier today we considered whether or not to delete the production funds. By a very close vote only a one-vote margin, the Senate decided not to delete the funds, but merely make the President comply with the law and make an impact study and a certification.

What I am suggesting now is that we take that Stennis amendment and merely say that the Congress wants a voice in the final determination when all the facts are in, when all the information is available, and after the impact statement is made. At that time Congress would have a voice in that final decision. Only through a simple resolution of either House would we be able to deny the President those funds which we would appropriate today if this amendment is not accepted.

Mr. ROBERT C. BYRD. Mr. President, I was not here when the motion to table was made on the last amendment, and when the vote began. But that motion to table was not in order. Under the consent agreement it read, if I am not mistaken, that once the 10 minutes had expired, the

vote would occur on the Hatfield amendment, as amended, if amended. I carefully worded it that way to prevent a tabling motion because I had assured the distinguished Senator earlier that he should have a vote up or down on his amendment.

So I am just saying this for the record. It is too late now. But no vote, no motion to table, was in order, and after coming in, the vote having started, I voted against the tabling motion. But I want the record to be made clear that that motion was not in order.

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

The PRESIDING OFFICER. The Chair will advise the Senator from West Virginia that the transcript has been asked for and will be here shortly and will determine the point.

Mr. HATFIELD. I thank the Senator from West Virginia for his comment.

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

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. The Senator makes the point that the motion to table was not in order because we should have had a vote on the Hatfield amendment, as amended by the Stennis amendment.

The distinguished Senator from Mississippi was precluded, however, from having a vote on the Hatfield amendment, as amended, because the distinguished Senator from Oregon stuck in a substitute, and that is where the mistake was made. The Chair ruled that was in order, but there would be no debate on it. So the villain is not the motion to table because that was the only way the distinguished Senator from Mississippi could prevent a third vote, which was a vote on the substitute, which was very definitely out of order.

So if the motion to table was out of order, so, too, was the substitute offered by the distinguished Senator from Oregon (Mr. HATFIELD).

Mr. ROBERT C. BYRD. Mr. President, I do not agree with that. I was not in here at the time, but if the transcript is as I think it reads—and I may be mistaken—

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

Mr. ROBERT C. BYRD. I asked unanimous consent that after the passage of 10 minutes a vote occur on the Hatfield amendment, as amended, if amended.

So upon that expiration of the 10 minutes any other amendment would be in order, but there would be no time for debate thereon, and if another amendment had come in and had carried, even another amendment would be in order, but without debate, and then upon the conclusion of all the amendments having been entered, the vote would have occurred on the Hatfield amendment, as amended, if amended, no matter how many times it was amended.

So I just want to say, if I am correct in my recollection, I do not want the record to show this as a precedent that if a unanimous-consent agreement is entered into that a vote will occur on an amendment, that a tabling motion will still be in order.

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

Mr. ROBERT C. BYRD. Yes.

Mr. LONG. May I say to the majority leader, I never had anticipated in 28 years around here that we would see this type of situation where there is a unanimous-consent agreement to vote on an amendment, and then after we agreed to vote on the amendment, the amendment remains subject to amendment, and that we cannot have any time at all for discussion of a complete substitute which, for all we know, might be completely nongermane to the amendment, and then find ourselves required to vote on the amendment without any further debate or even the opportunity to move to table the amendment.

If that is how it is going to be, I want to enter a standing objection, and I want the leadership to protect me, against any unanimous-consent agreement that has that type thing in mind because when we give unanimous consent to vote on an amendment or to have an hour's debate or whatever time on each side, and then we are compelled to vote on something, for all we know, what we find ourselves voting on might be entirely irrelevant, completely nongermane, on a completely different subject, and then for us to be denied the right to debate on it, no right to have it explained before we vote is bad. I want to enter a standing objection to any unanimous consent that has that type thing in mind.

Now, I asked the Parliamentarian about the matter. I suppose the Senator was not here at the time, and the Parliamentarian advised the Chair and the Chair ruled that is how it was. The Parliamentarian then came and told me that is how it is, but that it was wrong, and he was here when the precedent was made. At that time, he advised the previous Parliamentarian he thought it was wrong. Clearly, any such precedent ought to be changed.

If that is how we are going to do business, I just want to enter my standing objection to doing business in that kind of way because after we sit here and hear something debated for hours, and then are denied the right to vote on what was debated, but required to vote without any advice or any debate on something we had not heard debated at all, without having a way to protect ourselves that, in my opinion, is not the proper legislative process, and we ought to be able to defend ourselves.

From my point of view, I will never again agree to any kind of unanimous-consent agreement that, after I sit here for 4 hours, and hear something debated, I have to vote on something I had not heard debated for one moment, and have not the slightest idea what it is, without power to protect myself one way or the other. I think everybody else would like to be protected from that. I am willing to agree to a debate on anything or a vote on practically anything if it has been explained and I know what it is and I know what I am voting on. But to be required to vote on something entirely different from that without any ability to hear it explained and discussed is going too far.

So I want to object to any unanimous consent that has that type thing in mind, and I hope the leadership will protect me on that.

Mr. STENNIS. Mr. President, will the Senator yield to me just briefly?

The PRESIDING OFFICER. The Senator from West Virginia has the floor.

Mr. ROBERT C. BYRD. Let me make it clear that I happen to be on the side that is opposed to the position being taken by Mr. HATFIELD, and in this instance I am on the side of Mr. STENNIS.

I am simply saying if my recollection is correct, and I may be wrong, but I thought that was the way the agreement went, and if that is the way it was, I just want the record to show that this is not a precedent; that when an agreement is worded that way, as it was, if I am correct, a tabling motion would not have been in order.

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

Mr. ROBERT C. BYRD. Yes.

Mr. ALLEN. The Senator says that the Hatfield substitute was in order but the motion to table was not in order. Carrying that logic to the next step, that would mean that the Hatfield substitute could be offered, it could be defeated, another substitute could be offered, it could be defeated, another substitute could be offered, it could be defeated, and we would be here to midnight.

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. ALLEN. It was contemplated, however, that we were going to have two votes and the distinguished Senator from Oregon recognized that and he moved to table his own amendment, as amended.

Mr. ROBERT C. BYRD. The Senator is correct.

Mr. ALLEN. Indicating that he knew we were not going to have but two votes. So now we are having any number of substitutes said to be in order.

Mr. ROBERT C. BYRD. The Senator is correct. I think everyone contemplated that there would just be the two votes. But under any unanimous-consent agreement as we have here I think the Senator will agree that once the time has run a Senator may still offer an amendment and get a vote on it without debate.

Mr. ALLEN. Not if the agreement is the votes would be back-to-back with 10 minutes of debate intervening.

Mr. ROBERT C. BYRD. I do not believe that was the explicit agreement in this instance.

Mr. ALLEN. That is what the Senate thought at the time.

Mr. THURMOND. Mr. President, I ask unanimous consent that Robert Lyon of the Judiciary staff and Mike Mishoe of my staff be granted privilege of the floor during consideration of this bill and vote.

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

Mr. HAYAKAWA. I ask unanimous consent that Kathryn Brunner of my staff have the privilege of the floor.

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

Mr. DOMENICI. The same request for Dick Getzinger.

Mr. HANSEN. Caroline Randel.

Mr. CHAFEE addressed the Chair.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that Burt Rosen be accorded the privilege of the floor.

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

Mr. ALLEN. Mr. President, I have no staff members present, but I wish to offer an amendment and I am going to suggest the absence of a quorum in just a moment to amend the Hatfield amendment, this amendment that he has offered now, to amend that by knocking put the phrase "either House of Congress" and putting in "concurrent resolution of both Houses."

Mr. BUMPERS addressed the Chair.

Mr. ALLEN. I suggest the absence of a quorum.

Mr. BUMPERS. Will the Senator withhold a second?

Mr. ALLEN. Yes, if I do not lose my right to the floor.

Mr. BUMPERS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BUMPERS. Is all this counting against the time of the amendment of Mr. HATFIELD?

The PRESIDING OFFICER. There is no time limit at this point.

Mr. MOYNIHAN. Mr. President, I ask unanimous consent that Mr. Hodin, of my staff, be granted the privilege of the floor.

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

Mr. CHAFEE addressed the Chair.

Mr. ALLEN. Mr. President, the Senator from Rhode Island requests recognition.

Mr. CHAFEE and Mr. ALLEN addressed the Chair.

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

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

Several Senators addressed the Chair.

Mr. ALLEN. Mr. President, I yield to the distinguished Senator from Georgia (Mr. NUNN) who has an amendment carrying what I suggested, a concurrent resolution.

UP AMENDMENT NO. 628

Mr. NUNN. Mr. President, I send to the desk an amendment to the Hatfield amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Georgia (Mr. NUNN), for himself and Mr. ALLEN, proposes an unprinted amendment No. 628, to the Hatfield amendment.

Strike all after the words "enhanced radiation weapon" and substitute in lieu thereof the words "within 60 days Congress by concurrent resolution agrees to a resolu-

tion disapproving such use, and shall be pursuant to expedited procedures as provided by previous laws and such resolution shall be privileged."

Mr. NUNN. Mr. President, what this basically does is take the Stennis amendment which required that the President certify that this weapon is in the national interest, and it also required that there be an impact statement filed with Congress.

Mr. STENNIS. Mr. President, may we have quiet?

The PRESIDING OFFICER. The Senate will be in order. Senators will take their seats and take their conversations out to the cloakroom.

I can hear a pin drop.

The Senator from Georgia.

Mr. NUNN. It takes the original Stennis amendment which would have required a certification by the President that this weapon was in the national interest and the Stennis amendment further requires that there be an impact statement on this weapon, and then it takes the Hatfield amendment which expresses that Congress shall have 60 days in which to disapprove of this weapon after the impact statement is filed, and it changes the Hatfield amendment only in one respect. Instead of having either the House or the Senate be able to disapprove by resolution, this amendment that I have filed to the Hatfield amendment would require that both the House and the Senate act by concurrent resolution to disapprove the weapon within 60 days after the impact statement has been filed.

Mr. HATFIELD. Mr. President, will the Senator yield for a question?

Mr. NUNN. I have the floor. I yield for the purpose of a question.

Mr. HATFIELD. Will the Senator consider this a privileged resolution, so it could not be bottled up in committee for that 60 days to avoid any vote?

Mr. NUNN. The Senator from Georgia is not familiar with the rule as to how this amendment will be expressed. I would myself be willing to accept any kind of language that the Senator will offer to assure that. I certainly will have no objection to that, but I am not certain whether this amendment would do that in itself.

The PRESIDING OFFICER. Who yields time?

Mr. ALLEN. 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. HATFIELD. Mr. President, I wish to get clarification of the question I asked to make sure we have either a record, or that we have it included in the amendment. I say, further, Mr. President, while we may be able to provide this request, I feel that we now are all setting some interesting priorities or we are making some interesting assessments. Today, the Congress requires that the President do certain things in dealing with a public works project in which he may disagree or he wants to send up a rescission order or deferral order. Such a

rescission or deferral may be acted upon by either House of Congress. It seems clear to me that we should maintain that independence of action, that privilege of action on the part of the Senate.

Mr. NUNN. The Senator from Georgia does not object to having assurance that this would come to a vote if the Senator from Oregon will submit language to that effect. I do not want us to deploy a weapon of this nature by reason of a deadline of 60 days that was filibustered. I do not think that would be the way we want to move into it. If the Senator from Oregon can suggest language to the Nunn amendment, if we could resolve this whole issue by that, I would certainly agree with it.

Mr. HATFIELD. I am addressing myself, really, to the broader question here than that: It is simply that I think the original language in my new amendment is preferable because it gives either House the right to have its voice heard.

Mr. NUNN. But the question of the Senator from Oregon is as to whether there would be a delayed mechanism applied to as much the amendment of the Senator from Oregon as the amendment of the Senator from Georgia as far as the Senate is concerned.

Mr. HATFIELD. Exactly.

Several Senators addressed the Chair.

Mr. STENNIS. Who has the floor?

The PRESIDING OFFICER. The Senator from Georgia has the floor. He has not yielded the floor.

Mr. NUNN. I do not yield the floor, I yielded for a question from the Senator from Oregon. If the Senator from Washington wishes to address the Senate I yield to him for a question or statement.

Mr. JACKSON. Mr. President, I wonder if the Nunn amendment, if I can have the attention of the Senator from Oregon.

Mr. HATFIELD. Yes.

Mr. JACKSON. I am propounding a suggestion. I am wondering if the—

The PRESIDING OFFICER. Will the Senator use the microphone?

Mr. JACKSON. I am wondering if the Nunn amendment might be perfected so as to simply provide the requirement of concurrent action as far as the Senate is concerned so that it will be under expedited procedures as previously provided by law, some general term, either that, or we will have to have a quorum call.

Mr. LONG. The Senate can do that in conference.

Mr. JACKSON. I understand that. But I know what the Senator from Oregon wants. I can give him the reassurance and I think the Senator from Georgia will as well as the Senator from Mississippi.

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

Mr. JACKSON. He has the floor.

Mr. LONG. If the Nunn amendment is agreed to while agreeing to it, the Senator can go ahead and work up his expedited procedure if he wants to. There is no objection anywhere to that.

Mr. STENNIS. Mr. President, will the Senator from Georgia yield to me?

Mr. NUNN. I yield to the Senator from Mississippi.

Mr. STENNIS. On the question here now of concurrent resolution I think that that is really a very vital constitutional question.

If we are going to fall into the rut of over and over having things come back to us and one House can veto, something will have to be done to stop that practice. To my mind, it is clearly unconstitutional.

Here, if it is a concurrent resolution, that is the equivalent of congressional action.

I have no grievance about this thing at all. I think the Senate made a bad mistake in abandoning what so many of us thought was a fine agreement.

On this matter, a point of order will lie, though I do not yet make it, against this amendment because it is legislation on an appropriation bill. This is an appropriation bill we are considering. I believe in getting along, though, if we can, if we can work out something which will meet this situation as a practical matter. I hope the Senator will withdraw his effort on the concurrent resolution.

Mr. NUNN. I believe, Mr. President, this will be a reasonable compromise between the positions which have been articulated here today. I know there are a good many people who are inclined to vote with the Senator from Oregon because of the procedural situation we are in regarding this particular weapon and the impact statement, while a good many of those same people also, based on the information now available, agree with the substance of moving forward with this weapon.

I happen to believe the Senator from Oregon has made a legitimate point on a technical basis as to the impact statement and the need for it to be filed. I also believe there is a case which can be made that after the President makes his decision, the Congress should be able to review that decision.

That is the spirit in which this amendment is offered. I believe it would be a compromise. I think it would be a reasonable compromise. I would hope that we can work out some language to make sure it is agreed to under an accelerated procedure within that 60-day framework.

Mr. President, I will be glad to yield to anyone else for a statement or a question without losing my right to the floor, or I will suggest the absence of a quorum until we can work this out in some way.

Does any other Senator care to speak?

Mr. HATFIELD. Mr. President—

Mr. NUNN. I yield to the Senator from Oregon.

Mr. HATFIELD. Mr. President, I would like to modify my amendment. Do I have to have unanimous consent to modify my amendment?

The PRESIDING OFFICER. No.

UP AMENDMENT NO. 629

Mr. HATFIELD. Mr. President, I send a modification to the desk. It has been worked out with the other side. It would add at the end of my amendment, "and shall be pursuant to expedited procedures as provided by previous law and such resolution shall be privileged."

Mr. NUNN. I certainly would agree to accept that modification of my amend-

ment. I ask that the modification be made to my amendment to the Hatfield amendment.

The PRESIDING OFFICER. Is there objection to acceptance by the Senator from Georgia of the modification to his amendment?

Mr. DANFORTH. Mr. President, reserving the right to object, I wonder if I can inquire what the meaning of the expedited procedure is?

Mr. HATFIELD. It would provide two things, not only the precedent we now have but also it would allow the Senate to make its own rules on that.

Mr. DANFORTH. The precedent would include that this could be called to the floor and that the committees could be discharged from consideration so that it would not be locked in the committees; is that correct?

Mr. HATFIELD. That is my intention.

Mr. JACKSON. Will the Senator yield?

Mr. DANFORTH. I yield.

Mr. JACKSON. The language, as provided by previous existing law, would cover a situation in which any Senator could call up, under a privileged resolution, the resolution of approval or disapproval, and it would be under time limitations. Basically, it has been 8 hours' debate. A vote becomes mandatory within that time and there cannot be any delays, regardless of any Senate rule or House rule.

Mr. DANFORTH. So my understanding is that there would be a guaranteed vote, that it would not be locked in the committee for the 60-day period of time.

Mr. JACKSON. That is correct.

Mr. DANFORTH. And it would not be subject to filibuster?

Mr. JACKSON. That is correct.

Mr. DANFORTH. And within the 60-day period of time in both Houses there would be a guarantee of a vote?

Mr. JACKSON. That is correct.

Mr. NUNN. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Georgia has the floor.

Mr. NUNN. I yield to the Senator from Oregon, but first whose amendment did the Senator from Oregon modify, the Hatfield amendment or the Nunn amendment to the Hatfield amendment?

Mr. HATFIELD. As I understand, my amendment is the basic amendment at this point and Senator NUNN or Senator ALLEN could offer an amendment to my amendment. I am merely modifying my basic initial amendment which would carry with it—

Mr. NUNN. Is it the Senator's intention that if this modification is accepted he would also agree to the Nunn amendment and we could resolve this matter? Is that the intention?

Mr. HATFIELD. My intention is to modify my original amendment.

Mr. ALLEN. Will the Senator yield?

The PRESIDING OFFICER. The Senator from Georgia has the floor.

Mr. NUNN. I yield to the Senator from Alabama.

Mr. ALLEN. I have a question of the Senator from Oregon. The Senator is modifying his amendment to put in the expedited consideration of the resolu-

tion, but he still has only one House. The amendment of the Senator from Georgia has two Houses but it does not have the expedited procedure. I would suggest to the distinguished Senator that he ask the distinguished Senator from Georgia to modify his amendment to put in the expedited procedure. Otherwise, if the amendment of the Senator from Georgia is adopted, then that would wipe out the expedited procedure because that is not in the amendment of the Senator from Georgia.

Mr. NUNN. The Senator from Alabama is correct on the technical point, because the amendment of the Senator from Georgia strikes the latter portion of the Hatfield amendment and substitutes in lieu thereof other language. I would think we would need to modify my amendment.

Mr. HATFIELD. If the Senator will yield, I would like to state what I understand to be the situation. If we were voting on the Senator's amendment, we would be voting, in effect, on a concurrent resolution of both Houses of the Congress within 60 days under privileged conditions.

Mr. ALLEN. That would be if we modify this amendment.

Mr. HATFIELD. This would follow the impact statement having been made and following the certification by the President.

Mr. NUNN. If the Senator would read the language of his modification, the Senator from Georgia will ask that his amendment be modified to coincide with that, if the Senator will read his language on the accelerated procedure.

The PRESIDING OFFICER. The modification will be stated.

The legislative clerk read as follows:

The Senator from Oregon (Mr. HATFIELD) proposes an unprinted amendment No. 629 as a modification to unprinted amendment No. 627.

At the end of unprinted amendment No. 627 insert the following: "and shall be pursuant to expedited procedures as provided by previous law and such resolution shall be privileged".

Mr. HATFIELD. Mr. President, to clear up things, may I further modify my amendment to include the Nunn language as it relates to the concurrent resolution?

Mr. NUNN. I think it might be simpler, if I may suggest, that I be permitted to modify my amendment to include the language just read and then we would have the amendment to the Hatfield amendment to be voted upon which would incorporate the expedited language.

The PRESIDING OFFICER. Does the Senator so modify his amendment?

Mr. NUNN. I ask that it be so modified.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. METZENBAUM. Will the Senator yield?

Mr. NUNN. I yield to the Senator from Ohio for a question.

Mr. METZENBAUM. Will the Senator tell me which previous law we shall be talking about, since there are many laws that provide for expedited procedures?

I support the concept that the Senator is attempting to reach, but I honestly do not believe that there is any legal way of interpreting what that means. I suggest that legislative counsel are on their way over to the Senate. I think we ought to pick up some language that will actually provide a procedure rather than use this generalized term. I think we would be better off and we would know exactly what we are doing.

Mr. NUNN. I am told by our distinguished colleague from Illinois—

The PRESIDING OFFICER. The Senator will suspend until the Senate is in order.

The Senator from Georgia is recognized.

Mr. NUNN. I am told that the language in the Executive Branch Reorganization Act is the kind of language we are suggesting here. That would be the intent, to incorporate that language as to expedited procedure.

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

Mr. NUNN. I yield to the Senator from Minnesota.

Mr. HUMPHREY. I make a very practical suggestion that we have a brief quorum call, that the Senator from Oregon and the Senator from Georgia get together, and that they get the language exactly the way they want it.

Mr. MAGNUSON. That is already done.

Mr. JACKSON. It is all worked out?

Mr. KENNEDY. No, it is not, Mr. President. It is not worked out.

Mr. HUMPHREY. I think that, this way, we shall not have any loose ends. The Senator from Ohio has raised a question. I think the question has been answered by the comment of the Senator from Georgia, but it will take us 5 minutes and it will save us an extra vote. I suggest that we do it and do it promptly and we will not have all this business about who is making noise in the Senate. We can get together here, put an amendment together, have the Hatfield-Nunn amendment. Humphrey wants to support it, and I want to get a vote and go home.

Mr. KENNEDY. Will the Senator from Georgia yield?

Mr. NUNN. I yield to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I should like, if I could, to understand the current proposal of the Senator from Georgia and what the Senator from Oregon is willing to accept.

As I understand it, if we have this 5-minute interlude and we are able to graft onto the amendment the Senator from Georgia's request at this time, in effect, what that does do is that, when there is a recommendation, unless both Houses are going to reject it, it is going to go into law. Am I correct in that understanding, I ask the Senator from Oregon?

It seems to me that that puts us at a distinct disadvantage.

It seems to me that the case should have to be made, with a presidential finding, that this is something that ought to be considered and passed by the House of Representatives and then considered and passed by the Senate. I, as one who

has supported the position of the Senator from Oregon, purely on the question of procedure—because, quite frankly, I have agreed with the Senator from Oregon that we have not had the foreign policy considerations and illumination. Having listened for an hour and a half in the secret session, there was nothing in that deliberation that could give any of us assurance on that particular factor.

We have not had a military impact statement. It appears to me that what this 5-minute recess might very well do is put those who want to raise legislative questions at a further disadvantage, effectively saying that what is going to be recommended is that, unless it is rejected by two Houses, this system is going ahead.

Unless I am wrong in that understanding of what is being proposed and what is going to be accepted, I want to indicate that I am going to vote in opposition to this acceptance.

Quite frankly, I am prepared to see that that is going to be overwhelmed, but I want to say, quite frankly, that I am prepared to talk about it for the remainder of the afternoon until we can find out exactly where we are.

I want those who are urging 5-minute action to understand, at least, where we are. I think it is a serious mistake. I might not understand correctly the parliamentary situation. In talking about existing statutes and the Reorganization Act, I think that we ought to understand where we stand.

If the Senator from Oregon can relieve me of these concerns, I would welcome that, although I directed the question to the Senator from Georgia.

Mr. NUNN. I am glad to yield to the Senator from Oregon so he can answer the question.

The PRESIDING OFFICER. The Senator from Oregon now has the floor.

Mr. HATFIELD. Mr. President, the Senator from Massachusetts has stated the proposition, I think, very accurately as to not only what the intent was behind the initial amendment that I offered, but what the situation is at the moment.

The situation is simply this: the Senate voted on sending to the President a message. They wanted an impact study. They wanted a certification. The Senate was willing to give him the money, and he could spend it contingent upon those two occurrences. My original intent, which the Senate decided to reverse, was to stop the money at this point and let these procedures occur before taking action.

Mr. KENNEDY. That was by one vote, is that correct?

Mr. HATFIELD. That was by one vote. The Senator from Massachusetts recalls that I sent another amendment to the desk at that time and from there we began to get into a parliamentary tangle. The Senator from Oregon has not changed his position one bit. I have not, in any way, retreated from my initial position on this. I am only saying that I would rather have a concurrent resolution or a veto power than none whatsoever.

That does not mean that I am an advocate of the "concurrent resolution" position. I am far from it. We already have acted, however, in divesting ourselves of complete control by the Stennis amendment the Senate already voted to adopt.

I am willing to stay here, not only the rest of this afternoon, but all through the July recess, if it means we can get back to the original position and be able to get the votes for it. But I say to the Senator from Massachusetts, a number of votes on our side have already left the Chamber and the city. Consequently, we face a very pragmatic situation of how we can extricate ourselves from this rather entangled situation. I do not know.

Mr. KENNEDY. If the Senator will yield further, when we are, effectively, in a two-House veto rather than a single-House veto, I fail to understand how that advances us down the course, even if we accept the outcome of the previous votes of the Senate. It seems to me that we are binding ourselves further, in terms of the future, on it. I am just interested in understanding it. It seems to me we are worse off with this proposal than we were, even binding the Senate, in the earlier votes. I may be wrong.

Mr. HATFIELD. I say my amendment still stands with a one-House veto. The discussion now is on the Nunn amendment. We hope we can work out of that. I am not in any way yielding on my view that each House should determine this on its own. It would have to be the will of the majority of the Senate. I am willing to stand firm and fight it out on the basis of a one-House veto.

Mr. JAVITS. Will the Senator yield for a question?

Mr. HATFIELD. I yield for a question.

Mr. JAVITS. As I understand the parliamentary situation, if we turn down the Nunn amendment as perfected, then we have the Hatfield amendment for a one-House veto and we can vote that up or down, I say to my colleague from Massachusetts, so that the Senate will have its choice. If he does not like the Nunn amendment, he can vote nay on it or move to table it. Then we can have a test as to whether the Senate prefers Hatfield or prefers Nunn.

The Senator from Oregon has just told us that he stands by his amendment, which is for a one-House veto. I happen to agree with him and with the Senator from Massachusetts. But we are in a situation now where that issue can be determined, unless Members choose not to bring it to issue.

I do not know what the parliamentary situation is on time, as to whether we have a unanimous-consent agreement.

Mr. KENNEDY. I say to the Senator from Oregon, it makes a major difference to me whether we are talking about a one-House veto or what I understand is in the proposal of the Senator from Georgia, which would, effectively, require both Houses to veto.

Mr. HATFIELD. My amendment still stands as a one-House veto. I also say to the Senator from Massachusetts that there is a point of order that is pending here that we have to deal with as well.

Mr. KENNEDY. All I am saying is that I hope that, in this 5-minute recess, in an attempt to work out whatever accommodation, the Senator from Oregon stands strong in terms of the one-House veto. Anything less than that puts us at a disadvantage.

Mr. NUNN. Will the Senator from Oregon yield?

Mr. STENNIS. Mr. President, I shall yield to someone, but as floor manager of the bill, may I be recognized for 2 minutes?

The PRESIDING OFFICER. There is no time limit. The Senator is recognized. Mr. STENNIS. I thank the Chair.

Mr. President, I have enjoyed this rest I have had here, but I believe the afternoon is going mighty fast. A great number are threatening to leave and some have left. I am willing to agree to something on this Nunn-Allen-Hatfield matter here that otherwise I might not like.

But on the practical side, let us get together on this if we can. If we do not within a few more minutes, I do not see any chance to finish this this afternoon.

I have been trying to get to the Senator from Massachusetts so his amendment could be considered. He has been waiting since last night.

Mr. KENNEDY. I am in no hurry, I say to the Senator. I am in no hurry.

Mr. STENNIS. There are others that have not been reached.

I really seriously doubt that we ought to stay on this bill very much longer this afternoon.

It is a grave and serious matter. Unless we can get together on something and then take up the pending amendment, then, if it is agreeable to the leadership, I suggest we quit.

Mr. JACKSON. Amen.

Mr. STENNIS. Mr. President, I want these Senators to go and confer, on my part. Let us wait 10 minutes, or whatever they want, to see what they can bring back.

Mr. KENNEDY. Mr. President, I move to table the Nunn amendment, and 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 lay on the table the amendment of the Senator from Georgia (Mr. NUNN). The yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ROBERT C. BYRD. Mr. President, may we have the well cleared? The vote is going to be announced after it is tallied.

The PRESIDING OFFICER. (Mr. STONE). The Senator from West Virginia is correct. The well will be cleared so the vote can proceed and be tallied.

The legislative clerk resumed and concluded calling the roll.

Mr. CRANSTON. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Mississippi (Mr. EASTLAND), the Senator from Vermont (Mr. LEAHY), the Senator from Arkansas (Mr. McCLELLAN), and the Senator from Mon-

tana (Mr. METCALF) are necessarily absent.

I further announce that the Senator from Alaska (Mr. GRAVEL), the Senator from Hawaii (Mr. INOUE), and the Senator from South Dakota (Mr. MCGOVERN) are absent on official business.

I further announce that, if present and voting, the Senator from Vermont (Mr. LEAHY) would vote "yea."

Mr. BAKER. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Massachusetts (Mr. BROOKE), the Senator from Michigan (Mr. GRIFFIN), the Senator from Virginia (Mr. SCOTT), the Senator from Alaska (Mr. STEVENS), and the Senator from Wyoming (Mr. WALLOP) are necessarily absent.

I also announce that the Senator from Oklahoma (Mr. BARTLETT) is absent due to illness.

The result was announced—yeas 41, nays 44, as follows:

[Rollcall Vote No. 273 Leg.]

YEAS—41

Abourezk	Durkin	Melcher
Anderson	Eagleton	Metzenbaum
Bayh	Ford	Muskie
Biden	Hart	Nelson
Bumpers	Haskell	Pearson
Burdick	Hatfield	Pell
Case	Hathaway	Percy
Chafee	Heinz	Proxmire
Church	Huddleston	Riegle
Clark	Humphrey	Sarbanes
Cranston	Javits	Sasser
Culver	Kennedy	Weicker
Danforth	Mathias	Williams
DeConcini	Matsunaga	

NAYS—44

Allen	Hayakawa	Randolph
Baker	Helms	Ribicoff
Byrd	Hollings	Roth
Harry F., Jr.	Jackson	Schmitt
Byrd, Robert C.	Johnston	Schweiker
Cannon	Laxalt	Sparkman
Chiles	Long	Stafford
Curtis	Lugar	Stennis
Dole	Magnuson	Stevenson
Domenici	McClure	Stone
Garn	McIntyre	Talmadge
Glenn	Morgan	Thurmond
Goldwater	Moynihahn	Tower
Hansen	Nunn	Young
Hatch	Packwood	Zorinsky

NOT VOTING—15

Bartlett	Gravel	McGovern
Bellmon	Griffin	Metcalfe
Bentsen	Inouye	Scott
Brooke	Leahy	Stevens
Eastland	McClellan	Wallop

So the motion to lay on the table was rejected.

Mr. HATFIELD. Mr. President, we have heard a lot of enlightening discussion earlier today, and I anticipate that we will hear a great deal more, because this is, indeed, a very serious question that we are considering.

One of the things that has become most apparent throughout both the closed session and now the open session this afternoon in the open has been that this is an issue that has not been thoroughly discussed. It is the first time when this issue has really been gone into in great depth. I have indicated before that, according to my investigation, very few of the staff or members of the committees seem to be fully aware of the existence, let alone the implications, of this particular weapon.

We have attempted today not to make a final determination on the weapon,

because of the magnitude of the question. Because of the far-reaching implications involved if we should adopt this as part of our arsenal, we simply ask the Senate to delay its final decision on this matter until procedures have been complied with which were set into law, with good reason and with due deliberation of both Houses of Congress, and signed into law by the President.

The procedure to which I refer most specifically today and most frequently is the arms limitation impact, which very clearly states that this statement shall be made available to Members of Congress, through committee requests. On this weapon, we have information as late as this morning that such a statement has not been made; that the preliminary information has been gathered but the final determination has not been made; and, in fact, they are not going to make this impact statement until after President Carter has made a determination on whether he wants the weapon or not.

Mr. President, I should like to review briefly the sequence that has brought us to this point.

When this matter was first revealed through the press by a very diligent, accurate, and well-known reporter, it was brought to my attention as a member of the subcommittee. I was very alarmed at the time by the report in the press, and I wanted to find some answers to my questions. It became very apparent that those questions were not easily answerable, not because of classification as much as because of lack of knowledge, lack of information, or lack of awareness. That was true on the part of some of staff of the committee as well as the members.

I am not standing here this afternoon being critical of the fact that this was one of those rather interesting exercises where one item more or less appeared in the budget by some way, some method, but certainly not one that was well known or understood.

Rather I am today suggesting that, perhaps, this system we are following does not always bring to light the full implication or the impact of the decisions we make or the actions we take.

When it became apparent that this was in the budget, and some of the elementary and rather cursory facts became known concerning this weapons system, I called the White House and I asked to talk to Mr. Stu Eizenstat, who is, as Senators know, a very close adviser to the President in his administrative family. I asked Mr. Eizenstat the question, "Simply what is the President's position on this weapon?"

At that time it was apparent by comments made in response that Mr. Eizenstat was not aware that the President had a position or that the issue even had been raised. He said he would get back to me and indicate what the President's position was. This was in the first part of June.

In a few days we had another conversation and it was then related to me that the President would be provided with a memorandum on this weapons

system and, upon reading and studying the memorandum, the President would make known a position.

Then a few days more passed, and I got another call from the White House that indicated they would not be able to get the response to me as soon as they had anticipated, but that the whole question was in the machinery and that there would be a response made.

As time went along, our subcommittee became very concerned, because we had marked up our bill, with a few exceptions, and this was one of the exceptions. It soon would be necessary to refer the bill to the full committee. At that time it was suggested that we perhaps should refer this question, then, to the full committee rather than have the subcommittee attempt to make a determination, because we had not heard from the White House. This we did.

After we referred the question to the full committee, I received a letter from Mr. William J. Perry, Director of Defense Research and Engineering. On behalf of President Carter, he stated, and I refer now to the key paragraph in the letter, that "to afford the President maximum flexibility in his final decision on production, particularly if he chooses to authorize the presently proposed schedule, we respectfully recommend that adverse funding actions should not be taken by the Congress."

First of all, it seems to me, if this logic is to prevail, and if it were applied to the rest of the bill, we would appropriate full funding of all the items under consideration in order to give the President maximum flexibility to spend only the money he wants. In so doing, we would effectively remove the Congress from a legitimate, and what I consider a responsible, role of shared decision-making.

Mr. President, I stress the institutional issue: we must not turn over to the President the full control of making such determinations. In effect, we are, offering the President, by the language of the amendments that have been offered by the other side, a carte blanche check to do as he will as it relates to this weapons system.

Because that first vote was very close, a one-vote difference, it became apparent that the other side would, perhaps, have to modify their position some bit. Then we have the proposal that is pending as an amendment to my amendment. It states these production moneys be appropriated, but includes a contingency placed on the use of them. This contingency, is simply that we ask that the President fulfill the law by making the impact statement according to the present wording of the law, and that the President certify to the Congress that this weapons system is for the national interest.

Those are the two requirements we now are asking the President to fulfill. But what are they? They are really not requirements that are not already either locked into the law or by precedent. First of all, the law requires such an impact statement to be made. Second, the law requires the President to sign off any

weapons system before it goes into production.

So all we are saying, in effect, is that we want the President to comply with the law but, at the same time, we in the Congress are divesting ourselves of any role or any voice in that matter until the information is in the President's hands, until after the President has made his determination, his sole determination.

The Nunn modification, of course, provides that both Houses of Congress would have to veto such an action if the President went ahead with the proposed weapons system production of the neutron warhead.

Mr. President, it is really a thicket we are putting ourselves into by requiring both Houses of Congress to make such an action. It is after the fact. I do not think it really satisfies the position of those of us who have stood firmly all day. I do not believe we should yield at this point to that type of proposal.

I think we made a great concession when, in the present amendment I have offered, we would suggest that either House may exercise a veto rather than requiring both Houses.

I say that because there is a very distinct difference between the two Houses as relates to foreign policy matters of this type, both from the standpoint of our confirmation power, of our treaty approval power and, other roles that we play in foreign affairs. Also from the standpoint that the chairman of the Senate Foreign Relations Subcommittee—Mr. President, may we have order? May I have the attention of the Chair? May I have order in the Senate, Mr. President.

The PRESIDING OFFICER. The Senate will be in order.

Mr. HATFIELD. Especially since the chairman of the Senate Foreign Relations Subcommittee on Arms Control (Mr. PELL) already has asked for the impact statement, and the request has been made and, of course, it would be in the process, I am sure of being complied with by the President.

That is another reason why I feel we have a rather unique role to play in this matter that does not put the two Houses in terms of parallel responsibilities, but rather of different responsibilities. In saying this, I emphasize that I am in no way denigrating the House of Representatives. I am merely recognizing these distinctions of powers that are vested in the two separate bodies.

Were this a matter of extending some weapons system into a more sophisticated area, as it has been alleged, then I suppose technically it could be justified and defended. That is a separate issue. I think we have to look at this in a little broader scope than just the technological context. That is we are talking about a weapons system now, a warhead—I say system, corporately, but warhead, specifically—that does introduce a whole new dimension to warfare and, particularly, to conventional warfare.

In my opinion, it invites use, because of the arguments that have been used that this weapon is a very precise weapon, that it has the capacity to hit a

very constricted target, and that it does not destroy great areas of land or of property or buildings, but it is concentrated on meeting the enemy. The enemy here is defined as personnel, and it has been argued that this is a deterrent for its use.

But I would suggest that the logic is reversed. I would say that one of the great deterrents today as far as utilizing the Lance warhead as presently constituted in the NATO arsenal is the concern that it could destroy our allies and it could destroy broad areas beyond merely the target of the enemy.

This weapon, its supporters note, can be brought to bear on a more specific target. Therefore, I suggest the rationale is that we could use it with greater possibility of maintaining a restricted nuclear engagement.

Mr. President, this, of course, begs the entire issue, because this introduces again an old conundrum that we have heard many times over, from various and sundry sources, as to whether we could embark upon a limited nuclear war. I think that is a myth to begin with. I wish to refer to a comment made by Secretary of Defense Harold Brown when he was before the Senate committee on his confirmation hearing. He reported to the committee at that time, as I take from the record:

I do not think it at all likely that a limited strategic nuclear exchange would remain limited. I would be very cautious about structuring the force and expending a great deal of effort in making the force able to engage at length in a limited strategic nuclear war.

I do not think one would have to study that statement very long to recognize that Secretary Brown, in effect, in coming down in favor of the thesis subscribed by some of us have that it is rather fictitious and perhaps it is an exercise of fantasy to talk about limited nuclear war.

So to say that this weapon lends itself to a limited nuclear attack and that somehow it could prevent an expanded nuclear war I think is fallacious; and furthermore, any time that one argues the question of nuclear war or limited nuclear war one is assuming that one can predict the response of the enemy.

I think that again is a totally fallacious assumption, because one cannot predict, nor can one anticipate what the enemy response would be. We might decide that we are going to use this so-called nuclear weapon and that as a consequence of that use the Soviet Union, which would be the major adversary in this sequence or this particular hypothetical circumstance, would refrain from using the so-called dirty nuclear weaponry. I do not think that is an assumption we can make. I do not think one can predict the Soviets any more than they can predict us. We must recognize that once we embark upon any kind of nuclear weaponry, we invite any response from the enemy, and that response is unpredictable. Let's knock down this response to our arguments for good.

Therefore, in effect, it is introducing nuclear weaponry into conventional warfare for the first time in our history.

It would, in effect, bring us into a new era of warfare, because where we now delineate between conventional war and nuclear war, it would not be only the potential of introducing a nuclear weapon in a conventional war, but it certainly, at the minimum, would create a fuzzy undefinable situation.

Also, in our Foreign Relations Subcommittee 3 years ago Mr. Warnke, who is now in the role of negotiator for limitation of arms, made a statement which I think is very appropriate to recall. He said:

A new generation of tactical nuclear weapons would be an absolute disaster.

Then, Mr. President, Mr. Warnke went on to say that—

New weapons with lower yield and greater accuracy and presumably few collateral consequences would erode.

And I underscore the word "erode"—rather than strengthen deterrence, and could at worst increase the prospects of eventual all-out nuclear war.

Of course Mr. Warnke now is in a role of trying to negotiate some kind of an agreement on arms limitation. May I point out that this really is the focus that we should be stressing, as well as the procedural question. Of course, we also must address the moral issue of introducing nuclear weaponry into conventional warfare. The issue is simply this: We talk about deterrence, but who is going to be deterred. We have heard it stated by opponents to this position that I take that all we are doing is deterring ourselves by trying to restrict production.

Mr. President, will the Chair indulge? Mr. STENNIS. Will the Chair indulge us just one moment?

Mr. HATFIELD. Mr. President, I ask unanimous consent not to lose my right to the floor and suggest the absence of a quorum.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATFIELD. 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. HATFIELD. Mr. President, I believe I still have the floor. I only wish to make an observation, and then I will be happy to yield to the majority leader at any time.

Mr. STENNIS. Mr. President, may we have order, and will the Chair request people to refrain from talking so we can hear? Members' staff and visitors are standing around and talking, as well as Members.

The PRESIDING OFFICER. The Senate will be in order. The Senator from Oregon.

Mr. HATFIELD. Mr. President, I would like to just make one observation. We have been through a great deal of discussion today, and I do not want to hold the Senate unduly from embarking upon the Fourth of July recess.

I would suggest, Mr. President, that we have reached a point where I believe it

is important to sleep on this matter. There is nothing better than a recess to have time to reflect on it, and then take the matter up for final disposition following the Fourth of July recess. We can ask the leadership to work out some kind of schedule to set an appropriate time to consider it further. I certainly would be willing to yield to that possibility and yield the floor at the same time. Otherwise, I must say I do have rather extensive notes, and I would have to carry on with this discussion.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. HATFIELD. I yield.

Mr. STENNIS. Will the majority leader yield so I can respond?

Mr. ROBERT C. BYRD. Yes.

Mr. STENNIS. Mr. President, the Senator from Oregon and I have just had a conversation. I am satisfied—and I have spoken to others—that it would take a long time, my judgment is that it would take several hours, to dispose of this matter this afternoon—several hours at the very least. For that reason, I suggested to him that we just defer this matter without change and without prejudice. Maybe a modification will want to be made. The leaders would then set a time, if agreeable to them to set it aside now. The leadership on each side would pick it up for a time certain when we return and take up the rest of this bill, including this item. I am doing this for the reasons I have already stated.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield?

Mr. HATFIELD. I yield the floor.

Mr. ROBERT C. BYRD. Mr. President, the situation is this: under the order which has been entered, when the Senate returns following the Independence Day holiday, there will be a vote on a nomination on that Monday, after which the Senate is scheduled to take up the ERDA nuclear authorization bill.

Upon the disposition of that bill, the Senate then is scheduled to return to the consideration of the public works appropriation bill.

It appears that no final resolution with respect to the neutron bomb can be reached today. Both managers of the bill have just indicated that it is their judgment, and I believe it to be sound based upon the circumstances, that the neutron bomb should be put over until after the holiday.

There is one other matter which involves Senator HOLLINGS and his State.

Mr. THURMOND. And me, too.

Mr. ROBERT C. BYRD. And Senator Thurmond.

Senator HOLLINGS and Senator THURMOND want that matter resolved today. They do not want to go over until after the recess.

I ask unanimous consent at this time that the Senate deviate from the order previously entered, set aside the neutron bomb, and proceed to the amendment by Mr. KENNEDY, which deals with the South Carolina project; and once that is disposed of, that the Senate go out until Monday, July 11.

Having said that, I wonder if it would be possible, in the event we can do it,

to get an agreement on the amendment dealing with the South Carolina project?

Mr. BAKER. Will the Senator yield for a moment?

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. Mr. President, there are one or two other items of which I believe we need to take account. Before I identify them, let me say I believe this to be a good course of action and in the best interest of all the parties and the Senate. I support it.

There are other amendments which might be offered to this section. I assume they would have to wait as well in order to accommodate the circumstances. For instance, the Senator from New Mexico has an amendment. Is he agreeable to letting it wait until after the Fourth of July holiday?

Mr. DOMENICI. I am, so long as it is understood that I am not precluded from offering it by anything we do here today.

Mr. ROBERT C. BYRD. It is to this section?

Mr. DOMENICI. It is to this section but it has nothing to do with the neutron bomb.

Mr. STENNIS. The rest of it will be open.

Mr. BAKER. The rest of it being open is the trouble.

Mr. STENNIS. And it has nothing to do with water projects?

Mr. DOMENICI. That is correct.

Mr. BAKER. The previous order indicated that the only thing which would be up and remaining, and the Chair will correct me if I am wrong, would be the Clinch River project. We are now adding other things to it, this amendment or perfecting amendments and modifications, an amendment by the distinguished Senator from New Mexico, and an amendment by the distinguished Senator from Idaho. The order would have to be modified to accommodate those situations as well.

Mr. ROBERT C. BYRD. Yes.

Mr. BAKER. If the majority leader will indulge me for one more moment, I think it is the contemplation or request of the majority leader that all of this would still occur after the disposition of the ERDA authorization bill.

Mr. ROBERT C. BYRD. Exactly.

Mr. BAKER. I thank the majority leader.

Mr. STENNIS. Mr. President, the Senator from Georgia had a modification which I understood he wanted to make.

Mr. HATFIELD. It is acceptable.

Mr. STENNIS. I believe the majority leader has the floor.

Mr. ROBERT C. BYRD. Mr. President, do I understand it to be the sense of the Senate, as we gage it here, that we now go to the South Carolina project?

Mr. STENNIS. With a time agreement, yes.

Mr. ALLEN. Reserving the right to object, before an agreement is made, I would like to be heard.

Mr. HATFIELD. Will the majority leader yield?

Mr. ROBERT C. BYRD. I yield.

Mr. HATFIELD. I certainly support the modification the Senator from

Georgia is going to offer on the pending matter of the neutron bomb. It has nothing to do with the substantive question but is procedural. I would suggest that we go ahead with that one.

UP AMENDMENT NO. 630

Mr. NUNN. Mr. President, there are two technical modifications I would like to make, since this continues to be a pending amendment and we will get back to this matter.

I would like to modify my amendment by adding the letter "s" on the word "weapon" making it "weapons" and by inserting the word "unless" immediately preceding the word "written."

I would further like to modify the amendment. I will send this modification to the desk because it is explicit language the Senator from Oregon and I have talked about as to how we can expedite the procedure under the 60 days. I would ask that both modifications be read.

Mr. BAKER. Will the majority leader yield for a moment?

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The modification (UP amendment No. 630) is as follows:

Striking all after the words "enhanced radiation weapons" and substituting in lieu thereof the words unless within 60 days Congress by concurrent resolution agrees to a resolution disapproving such use: *Provided further*, That such resolution be in the form of a concurrent resolution which will be referred to the appropriate committee, and if the committee has not reported the resolution at the end of ten calendar days after its introduction, it is in order to move to discharge the committee from further consideration, which motion shall not be debatable. A motion to proceed to the resolution shall be privileged and not be debatable. Debate on the resolution is limited to not more than six hours, equally divided between those favoring and those opposing the resolution.

Mr. BAKER. I would inquire if the majority leader if he would agree with me that all we need to do, really, is modify the previous unanimous consent order to say that after we return to the consideration of the public works appropriations bill, only amendments to this title would be in order. Then we would have accommodated the requirements of the distinguished Senator from New Mexico and the distinguished Senator from Idaho. I do not know of any prejudice to any other provisions.

Mr. DOMENICI. Could I raise one issue, Mr. President? If we are going to Barnwell now, there is a technical problem in that that amendment will address a change in the total dollar figure found in title I. I would be precluded from offering an amendment to change that if the distinguished Senator from Massachusetts prevails. My amendment has nothing to do with the substance of his; but, rather, I would add some money to that figure, whether he wins or whether it remains as it is. I would want it understood that that would still be in order, or I would have to add mine to the amendment of the Senator from Massachusetts today.

Mr. KENNEDY. Mr. President, that is entirely agreeable to me. I believe it protects the rights of the Senator from

New Mexico. He has mentioned this to me. It is strictly a parliamentary snag on it. As far as I am concerned, it would be perfectly appropriate. I would be making the same request if the order had asked for the Senator from New Mexico. I believe he is entirely within his rights.

Mr. STENNIS. Mr. President, it seems to me that that ought to be covered by unanimous consent so we know exactly where we are, and everyone else will understand it, too, and no one else will be uncertain.

Will the Senator make a request for that?

Mr. ROBERT C. BYRD. I so request, yes.

Mr. ALLEN. Reserving the right to object, we had the Hatfield amendment and the Stennis amendment under a 4-hour limitation, starting at 10:23. We should have disposed of both amendments some minutes ago. Yet it is stated that it cannot be resolved this afternoon. I believe this is the first filibuster that has taken place in the 95th Congress. I wish to call attention to that fact.

I think we ought to resolve the issue. I hate to pass it over to get to something else that might be just as sticky as this. I wonder what good a unanimous-consent agreement is on voting if, minutes after the matter is supposed to have been disposed of, we still cannot see the light at the end of the tunnel for the rest of the day?

I propose this in lieu of what has been suggested in order that this amendment, which, clearly, is violative of the rule about legislation on an appropriations bill—why carry over two amendments that are very definitely contrary to the rules at that point? I should like to suggest that I be allowed to raise the point of order as to the pending amendment; after whatever the ruling is, I would have no objection to passing the matter over and going to the Barnwell matter. But I do not think we ought to carry over two amendments that are clearly violative of the rules, as I see it, and then come back to face those very same amendments that are not in order.

If the distinguished majority leader will agree that I might be allowed to raise that point of order, then the deck might be cleared as to these two amendments. The distinguished Senator from Oregon could work on his amendment and come up with an amendment, possibly, that might be within the rules, but let us not carry over these amendments and talk about debating them ad infinitum when we come back.

Does the distinguished Senator feel that that would be a reasonable request, that the point of order might be raised as to the Hatfield amendment before we go to the Barnwell issue?

Mr. ROBERT C. BYRD. I do not intend to deprive any Senator of his right to raise a legitimate point of order. The request that I had made has not yet been agreed to.

Mr. ALLEN. I would like to make a point of order at this time. Then I shall accede to the Senator's request to pass it over.

Mr. ROBERT C. BYRD. I yield the floor for that purpose.

The PRESIDING OFFICER. The Chair advises that there is a unanimous-consent request of the Senator from New Mexico that is pending, that he be allowed to amend the amendment of the Senator from Massachusetts.

Mr. DOMENICI. Mr. President, I believe mine is part of a broader unanimous-consent request that has not been ruled on. I do not think mine has to be ruled on at this point.

I withdraw it.

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

The unanimous-consent request is withdrawn.

Mr. ALLEN. Will the Senator yield in order that I might make a point of order on his amendment?

Mr. HATFIELD. Mr. President, I just wish to make the observation that when the Senator from Mississippi (Mr. STENNIS) discussed this matter with me, it was a matter that was to remain in status quo until after the recess. That was the basis upon which I made my observation and based my willingness to set this over until after the recess.

If we are going, now, to bring forth another issue that gets us off the issue that we are on—in effect, the point of order issue—I would then have to reassess the view that I had in acceding to that suggestion on the part of the Senator from Mississippi.

I ask the Senator from Mississippi if he has any change of his position now?

Mr. STENNIS. Mr. President, I merely said that time has run out. I am satisfied that we are not going to be able to dispose of this broad question this afternoon. Suppose we just leave it as it is, if that is agreeable to the Senator.

Mr. HATFIELD. It is.

Mr. STENNIS. With assurance from the leadership that it be called up when they can get to it. They have already given us that assurance.

Mr. ALLEN. Would it be agreed, then, that when the matter is first brought up, I be allowed to raise the point of order as first spokesman?

Mr. ROBERT C. BYRD. Mr. President, under the request that I had propounded, it would not waive any points of order. All Senators would still retain whatever rights they have at this moment.

Mr. ALLEN. I understand, but, rather than spinning our wheels on it after we get back, would it not then be the course of wisdom to raise this point?

I am not suggesting that we raise it at this time, because the Senator from Oregon does not want it raised. But should we not raise that point of order as the first matter to be considered when we come back after the recess?

Mr. ROBERT C. BYRD. This would be in the Senator's judgment. He would not be deprived of any rights, under the request that I made, that he has right now.

Mr. ALLEN. But he has to get the floor, as the Senator knows.

Mr. ROBERT C. BYRD. Oh, yes, he has to get the floor. He does not have the floor right now.

Mr. ALLEN. Will it be in order that I make that point? I am asking, when we come back from the recess, would it be in order that I be recognized for making the point of order?

Mr. ROBERT C. BYRD. As far as I am concerned, the Senator will be recognized.

Mr. HATFIELD. Mr. President, I do not want to enter into any special arrangement to give the Senator from Alabama automatic floor recognition. If he wants to take his chance to get that position, I certainly would have no objection, but, rather than lock that in, I would object to that.

Mr. ALLEN. Then I object.

The PRESIDING OFFICER. The objection is heard.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of the amendment by Mr. KENNEDY, with Mr. DOMENICI's rights protected in that regard.

Mr. STENNIS. What was the last part?

Mr. ALLEN. I object.

The PRESIDING OFFICER. The objection is heard.

Mr. ROBERT C. BYRD. Objection has already been made.

Mr. HATFIELD and Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

Mr. HATFIELD. I am happy to yield for a question.

Mr. KENNEDY. I just want to indicate that no time agreement has been entered on my amendment. Out of respect for the Senator from New Mexico, I shall not request any vote until the rights of the Senator from New Mexico are protected. I am prepared, at any time the Senator from Oregon wants to talk or not to talk, to proceed.

I am also willing to indicate to the Senate that I am prepared to vote on our amendment here, this afternoon, and to vote expeditiously and carry on the business of the Senate. But I do think the Senator from New Mexico has to be protected and I would not insist on a vote until his rights have been protected. I understand there has been objection raised to it; so I am glad either to talk and explain my amendment or to abide by whatever the decision is of the Senate.

Mr. STENNIS. Mr. President, who has the floor?

The PRESIDING OFFICER. The Senator from Oregon has the floor.

Mr. STENNIS. Mr. President, I do not understand the situation, but as the manager of the bill—the Senator yielded to me—I want to proceed now. We have set aside these other proposals, as I understand it. Let us proceed with the rest of the bill. Amendments are in order. I have no preference. There has been a lot of talk about this Barnwell matter. I thought we were going to get to the amendment soon.

Mr. HATFIELD. Mr. President, I believe I have the floor.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. ROBERT C. BYRD. Mr. President, will the Senator yield to me?

Mr. HATFIELD. I yield.

Mr. ROBERT C. BYRD. Mr. President, I want to correct the record.

Earlier today, I had something to say with respect to what my recollection was as to the wording of the agreement that had been entered into on the amendment by Mr. HATFIELD. I was incorrect in my recollection of the wording of that agreement. The transcript so shows. I think it should state for the record.

Now, Mr. President. We are in this kind of situation: We are on the neutron bomb and it is about to explode. [Laughter.] We would like to set it aside, proceed to the amendment by Mr. KENNEDY, dispose of that matter which affects the State of South Carolina, and go out for the holiday, leaving the neutron bomb matter to be disposed of upon our return.

Now, the Senator from Alabama is perfectly within his rights to make a point of order. If he can get the floor now, he can make the point of order now. If he cannot get the floor now, as of now he will not let us go to the other project.

If the Senator from Oregon insists on holding the floor now, we are not going to finish either this measure, the neutron matter, or get to the South Carolina matter.

At some point in time, if the Senator from South Carolina will not yield now, there will be a point in time when the Senator from Alabama will certainly have the opportunity to make his point of order.

So why do we not all agree to set this thing aside and go on to the South Carolina project and dispose of it today and go home?

Somebody has to bend a little. I think if both will bend a little, we will set this aside and get to the South Carolina project, get home then to see our sons and daughters and grandchildren.

Mr. ALLEN. I asked to be allowed to make a point of order now, but, as the Senator says, I cannot get recognition. All I am asking is that some 10 days from now I be allowed to get recognition and make this point of order.

I do not believe that is an unreasonable request.

Mr. HATFIELD. Mr. President, I was discussing a while ago the matter relating to the myth of limited nuclear war. It seems to me that—

The PRESIDING OFFICER. Will the Senator suspend just a moment until the Senate is in order?

Mr. STENNIS. Mr. President, if the Senator will yield to me, this is out of order, but I want to go to lunch.

Mr. HATFIELD. I would be happy to yield to the Senator without losing my right to the floor.

Mr. President, I yield to the majority leader.

The PRESIDING OFFICER. Will the Senate be in order?

Mr. ROBERT C. BYRD. Mr. President, I think it is obvious we are not going to solve this matter today and we are not even going to be able to take up the matter in which Mr. KENNEDY and Mr. HOLLINGS and Mr. THURMOND are involved.

That being the case, I believe that it is probably going to be agreeable all around if we just recess and go over until after

the Independence Day holiday and take up where we left off.

QUORUM CALL

Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business, not to extend beyond 20 minutes, after which I again be recognized.

The PRESIDING OFFICER. Is there objection?

Mr. SCHMITT. Mr. President, reserving the right to object, on behalf of the senior Senator from New Mexico, would the Senator withhold that for 1 minute until we get him on the floor?

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that I be recognized following the calling of the quorum, and I suggest the absence of a quorum.

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

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MATHIAS. 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. PERCY. Mr. President, the closed executive session today on the Hatfield amendment cutting funds for the enhanced radiation warhead from the public works and ERDA appropriations bill was one of the most probing and serious debates I have participated in since I have been in the U.S. Senate.

I entered the session with an open mind and many questions and listened very carefully to the answers on both sides. The major questions I had in my mind were these:

Is there any need for haste by the Congress in this matter before the President has even submitted an arms control impact statement or made a final executive branch decision?

Would this weapon strengthen NATO's defense?

Would this weapon make nuclear war less disastrous for Europe? Would it make nuclear war more or less likely?

What effect would a decision to procure these weapons have on our desire to limit nuclear proliferation?

How do our NATO allies feel about the weapon?

What would be the Warsaw Pact response to the procurement and possible use of the weapon?

I have read a great deal about the radiation warhead in recent weeks. All nuclear explosions produce blast, heat, gamma ray radiation, and neutron radiation. The neutron warhead minimizes the first three effects and maximizes neutron radiation. The neutron warhead is basically an antipersonnel weapon designed to cause little damage to terrain, buildings, and other installations. If exploded in the air, it produces little fallout and does not leave the area bombed radioactive. It is specifically designed to be used only in the case where we are forced to fight an enemy on allied soil.

Opposition to the neutron bomb seems to revolve around two contentions. One is that the weapon is inhumane. Death as a result of neutron radiation is painful

and relatively slow compared to death as a result of nuclear blast or heat. Fewer people are killed with a neutron bomb because of the lack of fallout, but more die of radiation. Approximately 30 percent of those dying from a regular nuclear explosion die from radiation; this percentage could triple with a neutron explosion.

The second contention is that the neutron warhead's less destructive nature makes its use more likely. It leaves buildings, equipment, and other structures still standing, and its lack of fallout prevents radioactive clouds from floating to populated civilian areas. Opponents feel that its controllability will weaken resistance to using nuclear weapons on the battlefield and that, therefore, the nuclear threshold will be crossed much more quickly.

Proponents of the neutron warhead, on the other hand, believe that the weapon strengthens NATO's deterrence against an attack and therefore reduces the likelihood of war between NATO and Warsaw Pact forces in Europe. They argue that the Soviet Union does not believe that we would use regular tactical nuclear weapons in Europe because we might be fighting on Allied soil. The immensely destructive nature of current weapons and the threat of fallout drifting to population centers could weaken the Soviet belief that we would use what we now have.

Proponents also argue that the neutron bomb raises rather than lowers the nuclear threshold in Europe. NATO currently bases its defense on a forward-based strategy—forces and nuclear weapons are on or very close to the border. In the case of attack, Germany would not wish to cede any ground to the invading forces because that would increase the likelihood of using our current, more destructive nuclear weapons on German soil. Germany might be under a great deal of pressure to push for early use of our current nuclear weapons at or near the border. With the option of the less destructive neutron warhead, NATO may be able to gain the time necessary to rally conventional forces to the defense. Proponents argue that this could very well allow NATO to respond conventionally without ever having to use nuclear weapons at all.

Despite the extensive coverage of this issue in the press and good arguments made pro and con, it is obvious to me that we do not yet know the answers to all of the questions which concern me. The President himself has not yet made a decision whether or not to procure the neutron warhead. I understand he will not be making a decision until studies are completed over the next several months. It seemed to me there was no need to rush into a decision on procurement at this time. I still feel this way. But as we saw from the very close initial vote on this issue, 43 to 42, it was obviously something about which reasonable and thinking men can honestly disagree.

ROUTINE MORNING BUSINESS

Mr. ROBERT C. BYRD. Mr. President, if the Senator will allow me, I ask unanimous consent that there now be a period

for the transaction of routine morning business of not to exceed 20 minutes, and that I then again be recognized.

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

I ask the Senator from Maryland to suspend. There is a great deal of noise in the Chamber, both on the Senate floor and in the galleries. I ask everyone here to be in order.

The Chair would like to recognize the Senator from Maryland and will do so just as soon as the Senate is in order.

The Senator from Maryland.

MIDDLE EAST POLICY

Mr. MATHIAS. I was happy to note that in yesterday's press conference the President imposed a salutary restraint on his Cabinet and staff with regard to the Middle East. I assume he and the Vice President intend to play by the same rules. We should respond by joining them in a reasonable period of golden silence.

This is an issue of growing concern to me. We have seen in recent weeks, and most particularly in recent days, a confrontation developing between the administration and some supporters of Israel on the subject of peace in the Middle East.

The administration has been criticized for the public nature of its developing Middle East policy and for many of the specific features of that policy. Two weeks ago Vice President MONDALE, in an effort to clarify the administration's attitudes, gave a major address on the Middle East. This speech has led to intensified discussion. In recent days the debate has picked up significantly, fueled by the statements made in Washington and in Israel.

This increasingly acrimonious exchange is unwise. I do not believe that it contributes to the one goal all of us in this Chamber so desperately want—a stable and enduring Middle East peace. This is a good time for quiet, constructive discussion, not heated exchanges which serve only to hinder understanding and agreement. I call for a cease fire on Capitol Hill on the subject of the Middle East.

I propose to the administration, to my colleagues, and to our friends in Israel that we call a halt to this war of words. I see no useful purpose in having the atmosphere so poisoned by positions taken publicly that Mr. Begin's visit will be jeopardized before he arrives. Let Mr. Begin come and meet with President Carter in a constructive atmosphere. Leave them some issues to discuss. Maybe these two men sitting together unhindered by the public spotlight can find a way to move this difficult problem toward the resolution we all want so much.

Our national policy of assuring the continued existence of Israel is unaltered. Our national hope that a just peace can be achieved within the framework of U.N. Resolution 242 is undimmed. We must leave no possibility for misconception on these questions.

CLINICAL LAW PROGRAMS

Mr. MATHIAS. Mr. President, I wish to speak on a part of the Labor-HEW appropriations bill that the Senate considered earlier this week that is personally disappointing to me and will be discouraging to many Americans. The House approved \$1 million for clinical law programs, but the Senate's version of the bill provides no money for that purpose. I believe that much of the reason for the neglect of that program was misinformation. That program, mislabeled as an effort to educate more lawyers, was dismissed in committee. The point of view expressed in committee was that the Federal budget need not support the training of additional attorneys.

I want to clear up that misconception.

Clinical law education serves two purposes. In the first instance, it provides advocates for poor people, usually poorly represented in juvenile, magistrate, and small claims courts. In so doing, it trains law students in procedures for a type of legal practice which normally gets the least priority in a legal education.

The training function does not result in "educating more lawyers." It merely makes available a broader legal training to law students already in law school. A traditional legal education emphasizes representation of business and moneyed clients. The market dictates that kind of training. There is very little concentration on the kinds of issues important to those who lack economic leverage. A lawyer who chooses to do that kind of work, either as his primary business or as an adjunct to do something that pays better, is left with few avenues for developing the skills needed for adequately representing those clients.

Let me describe a law school clinical program. It generally takes the form of a working law firm. A professor or practicing lawyer appears in court while students back him up as associates, doing research and preparing briefs. The clients are those who would not normally be represented or who would be inadequately represented. Instead of relying on a heavily burdened legal aid attorney, or on no one at all, the client has the resources of a large firm to draw on and access to the enthusiasm and knowledge of law school professors and students.

The House appropriated the \$1 million, then, for a serious public purpose. The clinical law program will not train more lawyers. It will not add to the number of lawyers coming out of school. It simply helps some lawyers get the training they need to serve a significant number of Americans—those with few resources. The knowledge and skills law students gain through the program will not make them wealthy, but it will make them more responsive and more responsible to all levels of society.

I am hopeful that the Senate conferees, in conference with the House, will reconsider the committee's position and recede in favor of the House position. In the event that the Congress fails to make any appropriation in this bill, we should return to this subject in the next supplemental appropriation to be considered.

ELECTRICITY FROM SOLAR SATELLITES

Mr. MAGNUSON. Mr. President, I think it appropriate in our discussion of this public works appropriations bill, with its funding for the Energy Research and Development Administration (ERDA), to call attention to the possibility of our one day obtaining nearly unlimited electricity from solar stations in space.

The Everett, Wash., Herald recently described studies being done by the Boeing Co. and the National Aeronautics and Space Administration (NASA) on how solar power satellites capable of generating 10,000 megawatts of electricity could be placed in space.

About the same size as a small city, each of these solar power satellites would generate twice as much power as Grand Coulee Dam—enough electricity to supply the needs of a million homes. Forty-five of these satellites would generate as much electricity as is now generated in the entire United States.

While this may sound like some Buck Rogers fantasy, the engineers involved in Boeing's studies say that the natural growth of today's technology may make these solar power satellites entirely feasible early in the next century.

Obviously, a great many complex and important questions would have to be explored and answered satisfactorily before it would be realistic actually to undertake the construction in space of one of these huge solar power satellites.

I commend NASA and Boeing for being willing to look seriously at those questions. And I surely hope that ERDA will be cooperating with NASA to examine how space technology might be applied to coping with our energy crisis.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the article mentioned above which appeared in the Everett, Wash., Herald on Friday, June 17, 1977.

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

BOEING STUDYING CITY-SIZED SATELLITES FOR SOLAR POWER

SEATTLE.—That man must develop new sources of energy other than fossil fuels is a fact beyond question. It is the essence of the energy crisis.

Most believe the solution will be found in the development of a non-depletable source of energy which can be transformed into usable electricity.

Man's primal energy source, the sun, offers an attractive answer. By harnessing its rays in space, where they exist without night, and transforming this power into electricity usable on earth, we would tap a power more durable than mankind.

This feat may be accomplished through the use of a Solar Power Satellite, a spacecraft the size of a small city which would be able to produce twice the usable power generated by Grand Coulee, the nation's largest hydroelectric dam.

Forty-five of these satellites would be able to match the present total electrical generating power of the United States, freeing oil, coal and their derivatives for other crucial needs.

Deployed some 22,000 miles (36,000 kilometers) above the equator in geosynchronous

orbit, these satellites would appear stationary when viewed from earth. They would be bathed in sunlight 99 per cent of the time, passing through earth's shadow only for very short periods in the spring and fall when it is late at night on earth.

The satellites would transform the sun's rays to electricity and convert this to microwaves which would be beamed to large antennas on earth. These antennas would reconvert this power, providing electricity for the nation's power grid.

Boeing has been involved in studies related to Solar Power Satellites since 1972, both with its own research funds and under contracts from the National Aeronautics and Space Administration and other government agencies.

The concept offers distinct challenges.

Boeing studies have centered on two basic configurations for the satellite: Photovoltaic and Brayton heat engine. Each would be capable of producing 10,000 megawatts of usable power—enough to fill the needs of a million homes.

The photovoltaic satellite would be rectangular in shape and cover an area of about 15.4 miles (24.8 kilometers) by 3.2 miles (5.2 kilometers)—an area of almost 50 square miles (128 square kilometers), or the size of a small city. On this vast platform would be mounted about 14 billion solar cells. This spacecraft would have a mass of about 88,000 tons to 110,000 tons (80,000-100,000 metric tons).

The satellite's solar cells would transform sunlight directly into electrical energy, the same way solar cells power small satellites.

The Brayton heat engine satellite would use a series of four parabolic dishes, each about 3.5 miles (5.6 kilometers) across. Together, they would stretch some 14.7 miles (23.7 kilometers) across space.

Each dish would be made up of thousands of steerable, extremely thin plastic reflectors. These reflectors would direct the sun's rays into a domelike cavity absorber—a solar furnace—located over each dish. The concentrated sunlight would superheat gases which would expand and drive a series of turbo-generators girdling the absorber.

These generators would produce the satellite's electricity.

Once through the generators, the heated gases would be piped into large fin-like radiator panels in which the gases would cool before being recirculated back into the cavity absorber to begin a new cycle.

The Brayton heat engine satellite would weigh about the same as the Photovoltaic satellite—about 88,000-110,000 tons.

The photovoltaic system is the less complex system. However, solar cells at their present state of the art are less efficient than thermal cycle engines, are quite expensive and require exotic manufacturing techniques.

Brayton heat engine satellites are complex systems using complex devices but have a higher conversion efficiency, process large quantities of power and already have been proved through the large-scale production of energy here on earth.

Each system has definite attractions and drawbacks, and both appear feasible.

Solar Power Satellites—whether heat cycle or solar cell—produce direct current electricity. This would be converted to energy of microwaves which would be channeled through two transmitters on each satellite. These antennas would be a little more than a half mile across (one kilometer). Except for size, they would be an extension of current radar technology.

The antennas would direct the microwave beam to ground receiving antennas which would rectify the microwave energy to direct current electricity which would be fed into the nation's power lines.

These rectifying antennas—or rectennas—would measure about five miles (8 kilometers) by 7½ miles (12 kilometers) and would resemble chain link fencing mounted in strips high enough off the ground for the area beneath it to be used for animal grazing or farming.

Microwave levels outside the antenna area and even beneath the antenna would be below the already stringent standards now in use in the United States. The beam itself would be of a low enough intensity to allow birds and other forms of life to pass through it without harm. The peak intensity at the beam center would be far below lethal levels even at long exposure. It would have no effect on aircraft or their passengers.

Obviously, satellites measured in miles rather than feet can be launched like Apollo mooncraft. Man must expand his environment into space in order to reap its benefits.

Solar Power Satellites would be constructed either in low earth orbit for later shipment to the higher geosynchronous orbit, or would be constructed directly at the higher orbit. The decision as to which is a matter of intense study.

In either case, the construction of things in space the size of small cities is entirely outside human experience. But it is not beyond a reasonable extrapolation of the state of the art.

Large, unmanned freighters, known as heavy lift launch vehicles, would carry oversized cargo pallets into low earth orbit where these pallets would be deposited and directed to docking stations at a space construction base. These freighters would be entirely reusable and available for relaunch within a week.

Today's Space Shuttle Orbiter with minor modifications would be the backbone of the manned transportation system, carrying the several hundred men needed on the orbiting construction base.

Orbital transfer vehicles to carry men and equipment from near-earth orbit to geosynchronous orbit also will be needed, as will propulsion units to carry satellites or their major segments to this stationary position.

In all, man may be shipping from earth almost 1 million tons (907,000 metric tons) of hardware each year—an astounding amount.

However, such expanded utilization of space and its transportation systems will lower costs. A look at the past underscores this:

Payload transportation costs for Vanguard in the late 1950s ran \$500,000 a pound for payloads in the 20-to-30-pound (9-14 kilograms) range. For Thor of the 1960s this was reduced to \$10,000 a pound for payloads of little more than 1,000 pounds (450 kilograms). Saturn moonrockets of the late 1960s and early 1970s cost \$600 a pound for quarter-million-pound (110,000 kilograms) payloads and we now are about to enter the Space Shuttle era with its projected \$150-a-pound payload costs attained through Orbiter reuse.

NASA and industry studies forecast a payload cost for heavy lift launch vehicles in the neighborhood of from \$10 to \$20 a pound.

Engineers foresee the day, possibly within the next 20 years or so, when huge space freighters will be departing the likes of Kennedy Space Center at a rate of four, or five—or even 10—a day.

Far fetched? Yes, at first blush, but studies by Boeing and others show that no technological breakthroughs are needed for all this to come about, only a natural growth of today's technologies.

In fact, the greatest apparent stumbling block may be psychological, not technological. Ralph Nansen, Boeing Space-based Solar Power Program manager, calls it "concept shock."

Satellites the size of cities and the weight of battleships seem illogical. Launch sched-

ules resembling airline timetables seem highly improbable. The manufacturing of complex structures from basic materials by hundreds of persons in space seems impossible.

But hardnosed engineering studies show that, while challenging, all this is technologically achievable within a relatively short time.

In an engineering sense, Kubrick's "2001" is upon us. After all, 2001 is less than 25 years away, and for today's ideas to become reality in that time span, they must be visible on our drawing boards now.

The cost? We really don't know. Boeing and other manufacturers currently are attempting to determine this through government-funded and company-funded studies.

We do know that, to be feasible, solar power satellites must be constructed and operated at a cost which will allow their amortization with revenues charged to the users of electricity they furnish.

And simple arithmetic shows that the revenue from one solar power satellite producing 10,000 megawatts of electricity sold at a rate of 30 mills per kilowatt hour would produce \$78.8 billion in 30 years. Forty-five satellites would produce more than \$3.5 trillion.

And 30 mills currently is the cost of electricity generated by new oil-burning generation plants.

Of course, this is simple arithmetic, and such economics seldom is simple. Any power generator has times when it is not totally in service or is producing energy at a rate above that which is being purchased at the moment.

However, we do know that electricity produced from today's energy sources economically is headed only one way: Up. As the cost of depleting fossil and nuclear fuels rises, so will the costs of power they generate.

Solar Power Satellites, on the other hand, may be expensive to bring on line but are not dependent on fuel costs. The sun's rays are free.

A step-by-step studied approach to space-based solar power generation is needed. Boeing already has recommended in Congressional testimony that the government embark on a carefully phased plan which would progress from concept definition to technology certification to subscale demonstration. This would establish confidence that satellite power systems are technically and economically viable. Only then would the nation embark on the more expensive full-scale development.

As Jacques Cousteau has observed, our present-day energy solutions either cheat on the past or cheat on the future. It is time we became honest with ourselves.

Mr. ROBERT C. BYRD. Mr. President, where I said today, a moment ago, that my recollection had failed me in regard to the agreement, I did not even make the agreement. As the transcript will show it was not my agreement.

I was thinking of something else.

ORDER THAT NO ROLLCALL VOTES OCCUR PRIOR TO THE HOUR OF 4 P.M. ON MONDAY, JULY 11

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that there be no rollcall votes that occur, if any, although one has already been ordered, but I ask unanimous consent that no rollcall votes occur prior to the hour of 4 p.m. on Monday, July 11.

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

ORDER THAT RECORD REMAIN OPEN UNTIL 6 P.M. TODAY

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the record remain open until 6 o'clock p.m. today for the insertion of statements, the introduction of bills and resolutions, and petitions and memorials.

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

MODIFICATION OF ORDER AUTHORIZING COMMITTEES TO FILE REPORTS

Mr. ROBERT C. BYRD. Mr. President, on yesterday I obtained unanimous consent that committees be allowed to file reports until, I believe, 6 o'clock today and on Tuesday and Wednesday between the hours of 3 and 5, or some such period. I should like to modify the hours as follows:

That committees be authorized to have until midnight tonight to file reports, and on Tuesday and Wednesday between the hours of 10 a.m. and 3 p.m. to file reports.

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 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.

CONSIDERATION OF CERTAIN MEASURES ON THE CALENDAR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 288 and 289.

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

WAIVER OF THE CONGRESSIONAL BUDGET ACT WITH RESPECT TO CONSIDERATION OF S. 1522

The resolution (S. Res. 202) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to consideration of S. 1522 was considered and agreed to, as follows:

Resolved, That pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to consideration of S. 1522, a bill to increase the appropriations authorizations of fiscal years 1977 and 1978 and to authorize appropriations for fiscal year 1978 to carry out the Marine Mammal Protection Act of 1972, and for other purposes. The waiver is necessary in order to provide additional funding for carrying out programs relating to the reduction of porpoise deaths and injuries during tuna fishing operations.

WAIVER OF CONGRESSIONAL BUDGET ACT WITH RESPECT TO CONSIDERATION OF S. 9

The resolution (S. Res. 204) waiving section 402(a) of the Congressional Budget Act of 1974 with respect to the consideration of S. 9 was considered and agreed to, as follows:

Resolved, That, pursuant to section 402(c) of the Congressional Budget Act of 1974, the provisions of section 402(a) of such Act are waived with respect to the consideration of S. 9. Such waiver is necessary because (1) section 506 of the bill, amending section 308(b) of the Coastal Zone Management Act, as amended, establishes a coastal State impact fund for distribution of funds to States which are adversely impacted by offshore oil and gas exploration and development and production with appropriations beginning in fiscal year 1977; (2) section 321(a) of the bill authorizes appropriations beginning in fiscal year 1978 for the funding of the Oil Spill Liability Fund which is established by the bill; and (3) section 413 (a) and (b) authorize appropriations upon enactment for the funding of the Fishermen Contingency Fund which is established by the bill.

All these provisions relate to impacts of Outer Continental Shelf oil and gas development which are already occurring. Furthermore, additional development needs to be expedited to meet national energy needs.

The committee action to report S. 9 was delayed because of the need to consider (1) other major bills which had not been within the committee's jurisdiction prior to adoption of S. Res. 4 and (2) the energy proposals submitted to Congress by the President to implement his national energy plan.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that it be in order to move the reconsideration of both measures en bloc.

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

Mr. ROBERT C. BYRD. I so move.

Mr. BAKER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT OF UNANIMOUS-CONSENT AGREEMENT—H.R. 7553

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that in order to carry out the intent of the understanding that has been reached here today, the unanimous consent agreement with respect to the public works appropriation bill be amended as follows:

Strike the words "the project listed above," which meant the Clinch River project, and insert in lieu thereof the words "Title I."

The PRESIDING OFFICER. Is there objection?

Mr. BAKER. Mr. President, reserving the right to object, I am sorry, but my attention was diverted momentarily.

I have no objection.

The PRESIDING OFFICER. Is there objection?

Mr. ALLEN. Mr. President, reserving the right to object, what is the nature of the request? Will the Senator be kind enough to tell me?

Mr. ROBERT C. BYRD. I will let the minority leader state it.

Mr. BAKER. Mr. President, this is the point I raised earlier, and I said that in order to accommodate the agreements we made with respect to the consideration of the Clinch River project after we return, after the consideration of the authorization bill, we would have to make room for the continuation of the pending business. The way to do that was simply to strike the words "the project listed above," which was the Clinch River project, and say instead simply "Title I."

This would be the purpose of the request by the majority leader.

Mr. ALLEN. It has no reference to the pending amendments?

Mr. BAKER. It does not, in my judgment.

Mr. ALLEN. I have no objection.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The text of the amended unanimous-consent agreement is as follows:

Ordered, That when the Senate proceeds to the consideration of H.R. 7553 (Order No. 278), making appropriations for public works for water and power development and energy research for the fiscal year ending Sept. 30, 1978, and for other purposes, titles II, III, IV, and V and amendments thereto, be considered and disposed of before title I, and amendments thereto, are in order.

Ordered further, That the Senate then proceed to the matters contained in title I, and the amendments thereto, with the exception of the Clinch River Breeder Reactor Project, and amendments thereto, which will not be considered automatically until after the Senate disposes of the ERDA Authorization Act of 1978—Civilian Nuclear Energy Applications.

Ordered further, That immediately upon the disposition of the ERDA Authorization Act of 1978—Civilian Nuclear Energy Applications, the Senate resume consideration of H.R. 7553, with no further amendments or motions thereto in order, except those dealing with title I.

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 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.

COMMITTEE MEETING JULY 14, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Subcommittee on Science, Technology and Space of the Committee on Commerce, Science and Transportation, be authorized to meet during the session of the Senate on Thursday, July 14, 1977, for the purpose of considering those aspects of the President's energy proposals which are within the jurisdiction of the committee.

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

ORDER AUTHORIZING THE SIGNING OF DULY ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the recess over until July 11 the Vice President, the President of the Senate pro tempore, the Deputy President pro tempore, and the Acting President pro tempore be authorized to sign all duly enrolled bills and joint resolutions.

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

ORDER AUTHORIZING THE SECRETARY OF THE SENATE TO RECEIVE MESSAGES FROM THE PRESIDENT AND THE HOUSE OF REPRESENTATIVES DURING RECESS OF SENATE

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to receive messages from the President of the United States and the House of Representatives during the holiday recess.

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

RECESS UNTIL 1 P.M., MONDAY, JULY 11, 1977

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the provisions of House Concurrent Resolution 267, that the Senate stand in recess until the hour of 1 p.m. on Monday, July 11, 1977.

The motion was agreed to; and at 4:01 p.m., the Senate recessed until Monday, July 11, 1977, at 1 p.m.

NOMINATIONS

Executive nominations received by the Senate July 1, 1977:

DEPARTMENT OF STATE

Louis A. Lerner, of Illinois, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Norway.

Lawrence A. Pezzullo, of Maryland, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Uruguay.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 1, 1977:

COASTAL PLAINS REGIONAL COMMISSION

Claud Anderson, of Florida, to be Federal Cochairman of the Coastal Plains Regional Commission.

FOUR CORNERS REGIONAL COMMISSION

F. Kenneth Baskette, Jr., of Colorado, to be Federal Cochairman of the Four Corners Regional Commission.

NEW ENGLAND REGIONAL COMMISSION

J. Joseph Grandmason, of New Hampshire, to be Federal Cochairman of the New England Regional Commission.

OLD WEST REGIONAL COMMISSION

George D. McCarthy, of the District of Columbia, to be Federal Cochairman of the Old West Regional Commission.

OZARKS REGIONAL COMMISSION

Patsy Ann Danner, of Missouri, to be Federal Cochairman of the Ozarks Regional Commission.

PACIFIC NORTHWEST REGIONAL COMMISSION

Patrick J. Vaughan, of Idaho, to be Federal Cochairman of the Pacific Northwest Regional Commission.

SOUTHWEST BORDER REGIONAL COMMISSION

Cristobal P. Aldrete, of Virginia, to be Federal Cochairman of the Southwest Border Regional Commission.

DEPARTMENT OF JUSTICE

M. Carr Ferguson, of New York, to be an Assistant Attorney General.

DEPARTMENT OF THE TREASURY

John Gaines Helms, of New York, to be Comptroller of the Currency.

DEPARTMENT OF TRANSPORTATION

Richard Stephen Page, of Washington, to be Urban Mass Transportation Administrator.

The above nominations were approved subject to the nominees' commitments to respond to requests to appear and testify before any duly constituted committee of the Senate.

THE JUDICIARY

Russell G. Clark, of Missouri, to be U.S. District Judge for the Western District of Missouri.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

(Statements in connection with bills and joint resolutions introduced today are as follows:)

By Mr. METCALF (for himself, Mr. RANDOLPH, Mr. BROOKE, Mr. HELMS, Mr. HOLLINGS, Mr. JACKSON, Mr. MORGAN, Mr. MOYNIHAN, Mr. RIBICOFF, and Mr. THURMOND):

S. 1820. A bill to authorize the Secretary of the Interior to assist the States to establish programs for the maintenance of natural diversity, and for other purposes; to the Committee on Energy and Natural Resources and the Committee on Environment and Public Works, jointly, by unanimous consent.

NATURAL DIVERSITY ACT

Mr. METCALF. Mr. President, today I am introducing, jointly with Senator RANDOLPH, legislation which will fill a major gap in existing Federal and State conservation programs. Termed the Natural Diversity Act, this legislation declares that it shall be a national goal to preserve examples of all of America's diverse natural ecological resources before they are irretrievably lost. Such losses are occurring at an accelerating rate as a result of human activities which alter the natural landscape.

This goal is entirely consistent with and complementary to the other major Federal conservation goals. We have policies and programs to protect our resources from air and water pollution; to manage Federal lands on a multiple-use, sustained yield basis; and to preserve natural areas as parks, wildernesses, and wildlife habitats. However, none of these Federal programs has as its principal objective, the systematic and comprehensive classification, identification, and protection of examples of all elements which comprise the Nation's natural ecological diversity: our many types of plant, forest, and aquatic communities, the habitats of all species of plants and animals, and the various types of geological features. Because of this lack of policy and program, many elements have already been lost and

many more will disappear unless we take positive action now.

The responsibility for implementing a natural diversity program clearly lies with Federal land managing agencies and the States. Both must act in coordinated fashion to classify the Nation's natural ecological resources into types, to identify locations of these various types on the landscape, and to assure that sufficient examples of each type are preserved for the use, benefit and enjoyment of present and future generations.

In many instances, these elements of natural diversity will be found on Federal, State and private lands and may already be legally protected from destruction. In some cases, it will be necessary to purchase or otherwise protect sites on private lands. However, without the information which would be provided by an inventory, it is impossible to make intelligent decisions about which sites should be protected. The Natural Diversity Act will correct this problem by establishing standardized inventory processes and biological data management systems at the Federal and State levels.

The data management systems to be established by this legislation are not pipedreams which will cost millions to design and install. Rather they are systems which have been designed and tested by the Nature Conservancy, a private nonprofit conservation organization, and are now installed in nine States: West Virginia, Tennessee, Oklahoma, Ohio, South Carolina, North Carolina, Mississippi, Oregon, and New Mexico—and the Tennessee Valley Authority service area. The system is extremely cost-effective with an annual operating cost of approximately \$200,000.

To be continuously useful, the data gathered must be updated periodically. Long term funding support is thus necessary to insure that States will establish and will maintain natural diversity data management systems. This legislation provides a 70-30—Federal-State—matching grant to States to achieve this goal. In addition, this legislation provides 70-30—Federal-State—matching grants for the acquisition of sites which a State identifies as important and which can best be maintained by fee acquisition. Many States which have the authority to preserve natural lands cannot do it fast enough because of inadequate budgets. This act would ease these budgeting problems.

Let me review for a moment how one State, South Carolina, has handled its natural diversity program. First it classified the State's natural ecological diversity into the following types: 100 plant communities, 5 aquatic habitats and features, 150 rare plant species, 50 rare animal species, and 5 other ecological phenomena. A continuing inventory process has been set in motion to search for these elements on the land. So far, 1,000 elements have been identified.

As inventory efforts continue, the State will acquire or otherwise protect sites containing high-quality examples. Approximately 10 such sites have already been identified. Often the owners of the unprotected sites, after learning of their

value, have donated the land to the State. For example, the South Carolina inventory process identified a unique remnant of a hardwood forest which dated from the glacial age and contained 25 rare plants and 1 rare animal species. This 138-acre site, located along Stevens Creek, was donated to the State of South Carolina by its owner, the Continental Group, Inc. The State is negotiating to acquire other sites by purchase.

Before summarizing the bill's provisions, I wish to emphasize several important points. First, this is a State-oriented bill with minimal interference from Washington. The Secretary of the Interior would provide regulations for obtaining grants, and would review State site acquisitions to insure that a site purchased with Federal funds does contain important elements of natural diversity. However, it is up to the State to participate in the program, to prepare its own natural diversity plan, to select the sites it wishes to acquire or otherwise protect, and to manage these sites.

Second, this bill is an outgrowth of current State activity. As mentioned, nine States from diverse regions of the Nation have already established natural diversity programs. Their foresight should be rewarded by Federal financial and technical assistance, and their actions supplemented by those of other States and the Federal land management agencies.

Third, this bill does not authorize the Federal taking of private land. The major responsibility of the Federal Government will be to identify natural diversity reserves on lands it already owns. A small sum of money is allocated to the Federal agencies for acquisition purposes, but only on a "willing seller" basis.

Fourth, the data systems required by this legislation will provide current Federal agencies with a uniform method for identifying, locating, and keeping track of their biological resources. The cost-savings from using the same model will be significant. In addition, for the first time, biological data will be readily accessible to decisionmakers concerned with the management of Federal and State lands.

This legislation concerns matters within the jurisdiction of two committees. The Committee on Environment and Public Works has jurisdiction over Fish and Wildlife—including the Endangered Species Act; environmental research; and environmental policy generally. A substantial portion of this bill relates to that jurisdiction. In addition, however, this bill establishes policies which Federal land management agencies must follow, provides for land acquisition by Federal agencies and States modeled after the land and water conservation fund, and concerns State land planning, all of which involves the jurisdictional responsibilities of the Committee on Energy and Natural Resources. For these reasons, Senator RANDOLPH and I have agreed to seek joint referral of our legislation to the Committees on Environment and Public Works and Energy and Natural Resources.

Accordingly, I ask unanimous consent that the bill be referred jointly to the

Committee on Energy and Natural Resources and the Committee on Environment and Public Works.

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

Mr. METCALF. I also ask unanimous consent that a summary of the bill together with the text of the bill be printed at the conclusion of remarks thereon.

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

Mr. RANDOLPH. Mr. President, I am pleased to join my able colleague from Montana, Senator METCALF, in introducing the Natural Diversity Act, legislation to provide for the systematic conservation of representative elements of our Nation's natural ecological diversity. The subject matter of the bill corresponds with new responsibilities recently transferred to the Committee on Environment and Public Works, including the National Environmental Policy Act, fish and wildlife legislation, and environmental research.

Mr. President, native species of fish and wildlife, as well as the various terrestrial and aquatic communities which they compose, are disappearing at an alarming rate. According to the U.S. Fish and Wildlife Service 172 native species of fish and wildlife are currently endangered, that is, in immediate danger of becoming extinct. Another 11 native species are threatened, or likely to become endangered in the near future. In addition, some 1,800 plant species have been proposed by the Service for designation as either threatened or endangered.

Positive action must be taken to stop this decline. Traditionally, Federal efforts to conserve fish and wildlife have been restricted to a select group of species which could be hunted, trapped or fished for sport or commercial purposes, or which were threatened or endangered with extinction. This selective approach to conservation is inefficient and, despite our best intentions, possibly unworkable. It is obviously more effective to assure the protection of a species before it reaches the brink of extinction.

Since Earth Day in 1970 the Nation has become much more aware of the function and value of all plant and animal species. Unfortunately, however, the information needed to accurately locate and assess the status of the Nation's biological resources has not been available in accessible form and, in many cases, has not even been gathered. This data gap has severely hampered the conservation planning and protection activities of Federal and State agencies alike.

This legislation addresses the problem and marks a significant departure from existing conservation law in both concept and strategy. The bill establishes as a national goal the protection of sufficient examples of all individuals and communities of fish, wildlife, and plants—our national diversity—and not just those which are in trouble or can be used for consumptive purposes.

The Natural Diversity Act is the first biological resources bill to clearly declare the need for the systematic collection of data for the management of fish, wildlife and plant resources. The bill would

encourage the use of the model data system already being used by nine States and the Tennessee Valley Authority for the classification and protection of elements of natural diversity. This system organizes data in a cross-indexed set of maps and manual and computer files. A vital product is a set of U.S. Geological Survey maps for an entire State, on which are plotted the actual locations of known examples of the State's elements of diversity, as well as all protected natural areas such as parks and wildlife refuges. Using these maps, planners can quickly determine the impact of any proposed development project on the State's biological resources before development funds are committed. Confrontations between environmental protection and developmental pressures should occur less frequently as development projects are either located away from biologically important sites, or development plans are modified to protect these resources.

West Virginia is one of the nine States that have adopted this system. Five-hundred varieties of individual plant and animal species and approximately 80 habitat types have been targeted by the State for protection. In addition, approximately 20 individual sites which require special management have been identified. West Virginia may soon contract with the U.S. Fish and Wildlife Service to prepare a report and a set of maps identifying element occurrences throughout the State. The report will be used by the Service to evaluate the impact of energy development on West Virginia's biological resources. The Service is currently using the State's existing element occurrence data to supplement its study on the Cheat and Potomac River watersheds and to measure the environmental impact of a variety of Federal projects. These examples illustrate some of the practical uses of this system.

Another practical benefit of the data system required by this legislation will be significant improvements in the environmental impact statement process. A major goal of the National Environmental Policy Act of 1969 is to "preserve * * * an environment which supports diversity * * *". To this end the act requires that an impact statement be prepared for each major Federal action significantly affecting the quality of the human environment and that the statement assess the environmental impact of the proposed action as well as possible alternatives to that action.

Comprehensive statewide data which identifies and analyzes various biological resources at the proposed development site as well as at alternative sites is essential to this effort. The system required under this act will give planners the data they need to convincingly determine the relative biological significance of various sites and land areas. The system enables planners to determine that site A contains the breeding grounds of a rare bird species; that site B is the only site where several rare plant communities occur in the State; that site C contains the best quality example of a particular forest type; and that site D has no important biological

significance. With this kind of data, the EIS process will come closer to meeting the objectives and requirements of the National Environmental Policy Act.

Mr. President, I summarize briefly the provisions of the Natural Diversity Act.

The measure sets as a national goal the development of a system to classify, locate and maintain sufficient examples of all elements which comprise America's natural ecological diversity, including individual species of plants and animals, terrestrial and aquatic community types, geological features and other important biological and ecological phenomena. The Secretary of the Interior is authorized to provide grants to the States for implementing a State natural diversity program with a supporting biological data management system, to be patterned after the model developed by the Nature Conservancy and being successfully utilized in nine States. To renew its grant, a State must prepare a plan identifying, classifying, maintaining and monitoring of elements of natural diversity occurring within its boundaries. Further, a State would be required to demonstrate that it has the legal authority to administer such a program.

States would submit, as part of the plan, a priority list of sites which contain important elements of natural diversity, and which can best be protected by acquisition. If the Secretary determines that the site will contribute to the goals of the act, he would be authorized to provide 70 percent of the acquisition costs on a matching basis. These sites and others which the Secretary determines to be significant would be listed on a national registry.

Each Federal land management agency would also be required to establish a natural diversity program and biological data management system. Agencies would be prohibited from taking any action or assisting any project which adversely impacts or destroys elements of natural diversity on any site entered on the national registry of sites under the act.

The bill would also establish a Federal Natural Diversity Office with a Director to assist the Secretary in the implementation of the program. Another provision requires the Secretary to study innovative methods of protecting lands through means other than acquisition.

Finally, the bill provides authorizations of \$10 million annually to the States for the development of programs and data management systems and \$50 million for fiscal year 1979 and \$100 million for each fiscal year 1980 through 1982 for acquisition. Federal land management agencies would receive \$25 million annually through fiscal year 1982 to carry out the act, while \$6 million annually would be provided for the operation of the Office of Natural Diversity.

Mr. President, the concepts and programs encouraged by this bill have been established in nine States and are being used by a wide variety of Federal, State, and local agencies, as well as private industry and consulting firms, to identify priority lands for conservation protection, comply with environmental laws,

improve natural resource management programs and identify sources of information and research topics for university biologists. These benefits make the annual cost of a State data management program—approximately \$200,000—highly cost effective. The system works, and there is every reason to see that it is adopted by other Federal and State agencies.

I hope colleagues will join with Senator METCALF and me in supporting this landmark conservation legislation.

SUMMARY OF NATURAL DIVERSITY ACT

(1) Policy—

The bill states a national goal to systematically classify, locate, maintain and monitor sufficient examples of all the elements which comprise America's natural ecological diversity—individual species of plants and animals, plant and aquatic community types, ecosystem types, outstanding geological features, and other biological and ecological phenomena deemed important.

(2) State natural diversity programs—

Grants are to be made by the Secretary of the Interior to States for implementing State natural diversity programs with supporting biological data management systems. Grants are on a 70-30 (Federal-State) matching basis, and are renewable every 2 years. State programs and data systems will be patterned after the successful programs already established in nine States.

To renew its grant, a State must prepare a natural diversity plan to implement the bill's goal, show that it has legal authority to achieve the goal, and that the biological data system is being employed by other State agencies.

(3) Land acquisition grants—

As part of their plan, States are to submit to the Secretary of the Interior a priority list of sites which contain important elements of the State's natural diversity, and which can be best protected via acquisition. Information on each site must include the State's management plan for that site and proposed human uses consistent with the site's biological characteristics.

If the Secretary determines that the site will contribute to the bill's goal, and will be adequately maintained, he may make a 70-30 (Federal-State) matching grant for acquisition. Title would vest with the State. States are also to identify sites on State-owned lands which help maintain natural diversity.

The State's 30 percent share may be met by a local government or a private, nonprofit conservation organization which has as a principal function the conservation of land and the biological resources thereon. Title would vest in the organization which supplies the funds, with a reverter clause to the State if the site is improperly maintained.

(4) National registry—

A registry of sites which contribute to the goal of the bill is to be maintained by the Secretary of the Interior. Those sites which have some form of adequate legal protection are to be known as Natural Diversity Preserves, regardless of whether they are on private, State, or Federal lands.

(5) Federal agency actions—

Each Federal land management agency must establish a natural diversity program and biological data management system comparable to those of the States. These agencies are to designate sites on Federal lands for entry on the registry. Federal agencies may also purchase private lands which contain important elements of diversity, but do not have the power to condemn land for the purpose of preserving elements of natural diversity. The bill requires that no agency of the United States may take any action or assist any undertaking which would adversely

impact or destroy elements of natural diversity on any site entered on the national registry.

(6) Assessment and annual report—

The Secretary is to prepare an annual summary assessment of the status of the nation's natural diversity, a list of sites on the registry, and a progress report on meeting the bill's goals.

(7) Federal Natural Diversity Office.—

An office would be established to assist the Secretary of the Interior in executing his responsibilities. The Director of the office would report directly to the Secretary.

(8) Funding authorization—

a. For State natural diversity programs, \$10 million annually (FY 1979-82).

b. For acquisition grants to states, \$50 million in FY 1979, \$100 million in FY 1980-82. Allocation to eligible States to be 30 percent distributed equally, and 70 per cent on the basis of need as determined by the Secretary.

c. For acquisitions by Federal agencies, \$25 million annually (FY 1979-82).

d. For administering the bill, \$6 million annually for the Office.

(9) Cost savings provision—

To minimize land acquisition and associated costs, the Secretary is directed to conduct an ongoing study of innovative ways to protect lands through any means other than acquisition of fee (e.g. dedication, notification, cooperative agreements, easements, etc.).

(10) Technical Advisory Committee—

The bill calls for the establishment of a technical advisory committee, composed of natural scientists and biological data management experts to provide advice on program implementation and evaluation. The Committee would terminate in 4 years.

S. 1820

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 "Natural Diversity Act".

FINDINGS

SEC. 2. The Congress finds that—

(1) the landscape and natural ecological resources of the Nation are being subjected, at an accelerating rate, to significant modification by man;

(2) as a result, many regions have lost and continue to lose their natural diversity through the irretrievable destruction of the elements which collectively comprise this diversity—individual plant and animal species, aquatic environments, plant communities, ecosystem types, geological features, and other ecological features and phenomena;

(3) the maintenance of land and water areas so as to preserve their constituent elements of natural diversity is desirable because these elements are of scientific, recreational, educational, cultural, economic, inspirational, and ecological value;

(4) the loss or extinction of any element of natural diversity is deplorable because of the irretrievable character of such loss;

(5) there is a lack of organized, coordinated, and accessible information on the existence, location, condition and protection status of the Nation's elements of natural diversity to permit the determination of where and when such elements are threatened;

(6) there is no national policy or coordinated program to systematically identify and protect examples of all elements which comprise the Nation's natural diversity prior to their irretrievable loss; and

(7) nine States—West Virginia, Tennessee, South Carolina, Oregon, Oklahoma, Ohio, North Carolina, New Mexico, and Mississippi—have already established programs to classify, inventory, monitor and maintain the elements comprising their natural di-

versity, and many other States have expressed interest in commencing comparable programs.

NATIONAL GOAL

SEC. 3. The Congress declares that—

(1) it shall be a national goal to systematically identify, locate and protect from destruction examples of all elements which collectively comprise the Nation's natural diversity; and

(2) the most effective strategy for achieving this goal requires both State and Federal Government action:

(A) the States must individually classify, locate, monitor, and maintain their elements of natural diversity;

(B) the Federal Government must provide technical and financial assistance to the States engaged in such efforts;

(C) each Federal land management agency must (1) to the extent consistent with the requirements and policies of other laws, strive to manage its lands so as to preserve the natural diversity thereon, and (ii) initiate a program to classify, locate, monitor, and maintain examples of the elements of natural diversity found on lands within its jurisdiction, which program is coordinated with and complementary to the programs of the States; and

(D) all Federal agencies must refrain from taking actions contrary to, and cooperate with each other and the States to attain, the goal of this Act.

DEFINITIONS

SEC. 4. For the purpose of this Act, the term—

(1) "Secretary" means Secretary of the Interior;

(2) "Office" means the office established within the Department of the Interior pursuant to section 7 of this Act;

(3) "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States;

(4) "nine States" means the following States which have natural diversity programs established before the date of enactment of this Act: West Virginia, Tennessee, South Carolina, Oregon, Oklahoma, Ohio, North Carolina, New Mexico, and Mississippi;

(5) "element of natural diversity" means a plant community; an aquatic habitat, feature, or environment; an individual plant or animal species, or its habitat; an ecosystem type; a geological feature; or any other ecological phenomenon of importance to the preservation of natural diversity as determined by the Secretary, a State or a Federal land management agency pursuant to this Act;

(6) "natural diversity" means all of the distinctly different life forms, both plant and animal, their associations and interrelationships with each other and with different physical and chemical elements of the environment, and their organization into larger ecosystem types;

(7) "natural diversity program" means a program of a State to classify, locate, monitor, and maintain elements of natural diversity within such State for which Federal assistance is provided pursuant to section 5 of this Act;

(8) "natural diversity plan" means a component of the natural diversity program required by section 5(b)(2)(B) of this Act;

(9) "data management system" means a component of the natural diversity program required by section 5(b)(1)(D) of this Act; and

(10) "registry" means the national registry of sites established pursuant to section 8 of this Act.

STATE NATURAL DIVERSITY PROGRAM GRANTS

SEC. 5. (a) The Secretary, acting through the Office, is authorized to make grants to each State for the development and imple-

mentation of a State natural diversity program. Each grant shall be for a period of not more than two years.

(b) Within six months of the enactment of this Act, the Secretary shall promulgate regulations for the determination of eligibility of any State to receive grants pursuant to this section. Such regulations shall among other things—

(1) require that for a State to qualify for its first grant pursuant to this section, the Governor of such State shall by letter to the Secretary—

(A) certify that the State will develop a natural diversity program which has as its purpose the classification, location, monitoring, and maintenance of the elements of natural diversity in such State;

(B) designate a State official or agency who or which will have the responsibility for developing and implementing the State natural diversity program;

(C) certify that the State has legal authority, or will develop such authority during the grant period, to provide for—

(i) the maintenance of examples of each type of plant community and aquatic habitat, feature, and environment native to the State;

(ii) the maintenance of habitat necessary for the continued existence of all plant and animal species native to the State, with priority attention given to those species which are rare, threatened or endangered;

(iii) the maintenance of examples of all types of geological features; and

(iv) the maintenance of other ecological phenomena the State deems important;

(D) certify that the State has established or will establish during the term of the grant, as an integral component of its natural diversity program, a comprehensive, systematic data management system which shall be used to gather, store, retrieve, analyze, and update information on the State's elements of natural diversity on a continuing basis;

(E) certify that the State has established or will establish during the grant period a planning process for the maintenance of natural diversity within the State; and

(F) certify that all State agencies which conduct programs or activities which may have an impact upon elements of natural diversity within the State shall make use of the data in the data management system and coordinate such programs and activities with the planning process so as to assure the effective implementation of the natural diversity program and the attainment of the goal of this Act;

(2) require that, for a State to qualify for subsequent grants pursuant to this section, the Governor must demonstrate to the satisfaction of the Secretary, acting through the Office, that—

(A) the State has developed a natural diversity program in which elements of natural diversity within the State are being continuously classified, located, monitored, and maintained;

(B) such program contains a natural diversity plan which is periodically revised and which contains such information as the Secretary may require, including a program document which sets forth specific goals, target dates for achievement, and a budget; a list, by priority, of sites which the State determines can best be protected by acquisition under section 6 of this Act; a strategy for using other site protection techniques and a list of sites to which these techniques will be applied; and an assessment of the status of the State's elements of natural diversity;

(C) the State has established and will continue to keep current the data management system required in clause (1)(D) of this subsection;

(D) the official or agency designated by the

Governor has sufficient interdisciplinary professional staff to insure that the program and its plan is implemented;

(E) the State has the legal authority sufficient to meet the criteria set forth in clause (1)(C) of this subsection and to implement the State natural diversity program and plan; and

(F) all State agencies identified pursuant to clause (1)(F) of this subsection are conducting their programs and activities in accordance with such clause.

(c) The Secretary shall, to the greatest extent practicable, assure that the regulations promulgated pursuant to subsection (b) shall be consistent with the natural diversity programs of the nine States and shall provide that State data management systems required by clause (1)(D) of subsection (b) are based on and interchangeable with the form, structure, procedures, and methodologies of the data systems installed in the nine States.

(d) The Secretary shall provide continuing technical assistance to the States for the establishment and maintenance of the data management systems to assure that data generated by all States may be freely interchanged and aggregated at the national level, to facilitate the dispersal of data management system innovations and improvements to all States, and to standardize technical training.

(e) Each grant authorized by this section shall be made in an amount not to exceed 70 per centum of the estimated cost of development and implementation of the natural diversity program and such other activities for which grant funds may be expended.

ACQUISITION GRANTS TO STATES

SEC. 6. (a) The Secretary is authorized to make annual grants to each State for the acquisition of lands and waters or interests therein in order to protect elements of the State's natural diversity. Except as provided in subsection (e) of this section, title to lands and waters or interests therein acquired with funds provided by grants pursuant to this section shall vest in the State.

(b) To be eligible for a grant pursuant to this section, the Governor of a State shall submit with the State's natural diversity program and as component of the plan required by section 5(b)(2)(B) an acquisition plan for sites within the State containing elements of natural diversity. Such acquisition plan shall list the sites by priority for acquisition and contain a schedule for such acquisition. No grant may be made pursuant to this section for the acquisition of any site or sites not listed in the acquisition plan. For each site for which a grant pursuant to this section is requested, the State shall provide information on the location, boundaries and ownership of the site; the ecological significance of the element or elements of natural diversity present on such site; the current extent of maintenance of such element or elements; any imminent threat or threats to such element or elements; the State agency which will manage the site after acquisition; the uses to be made of such site after acquisition; the protection from adverse impacts of offsite activities to be provided to the site after acquisition; the opportunities to be provided to the public for access to the site after acquisition; and any other information the Secretary shall by regulation require.

(c) If the Secretary determines that maintenance of the elements of natural diversity present on the site or sites for which a Governor has requested a grant pursuant to this section would contribute to the goal of this Act; acquisition of such site or sites is necessary to insure such maintenance; the use or uses to be made of such site or sites after acquisition, and the protection from adverse impacts of offsite activities to be provided such site or sites, will assure such main-

tenance; and public access to the site or sites will be provided to the maximum extent consistent with such maintenance, he may approve a grant pursuant to this section to such State for the acquisition of such site or sites.

(d) (1) Each grant authorized by this section shall be made in an amount not to exceed 70 per centum of the estimated cost of acquisition of the site or sites to be acquired with grant funds.

(2) Private donations of land, cash, or any other thing of value up to the total value of the State share of the acquisition cost of any site or sites to be acquired with funds of a grant pursuant to this section may be calculated in the State share for such grant. Any State may accept payment of its share of the cost of acquiring any site to be acquired with funds of a grant pursuant to this section by a local government or a private nonprofit organization which has as its principal function the conservation of land or other natural resources. Title to any such site shall be vested in the local government or nonprofit organization which paid the State share: *Provided*, That the deed to such site shall contain a provision which requires title to revert to the State if the site is no longer managed so as to preserve the element or elements of natural diversity.

FEDERAL NATURAL DIVERSITY OFFICE

SEC. 7. (a) There is established within the Department of the Interior an Office to fulfill the functions assigned to it in this Act.

(b) The Secretary shall appoint a Director of the Office who shall report directly to the Secretary and who shall be compensated at the rate provided for level V of the Executive Pay Rates (5 U.S.C. 5315). All employees of the Office, including the Director, shall be selected on the basis of their professional competence and capacity to contribute to the attainment of the goal of this Act.

(c) The Secretary, acting through the Office, shall—

(1) develop the criteria and guidelines necessary to implement this Act;

(2) establish and maintain a national natural diversity data management system;

(3) establish and maintain a national registry of sites pursuant to section 8 of this Act;

(4) administer the grant programs authorized by sections 5 and 6 of this Act;

(5) monitor and assist the coordination of all Federal agency activities which have an impact upon the Nation's elements of natural diversity or which affect the attainment of the goal of this Act;

(6) provide technical assistance to Federal agencies and the States and to private persons or organizations which or who have interests and conduct activities which contribute to the attainment of the goal of this Act;

(7) analyze the laws, regulations, policies, and practices of the Federal Government, and make recommendations to the President and the Congress to advance the goal of this Act;

(8) publish an annual report pursuant to section 9 of this Act; and

(9) perform such other functions necessary to the attainment of the goal of this Act.

(d) The Secretary, acting through the Office and in consultation with the Federal land management agencies, the States, and private nonprofit organizations which have as their principal function the conservation of land or other natural resources, shall conduct a continuous study to identify and implement strategies for the maintenance of elements of natural diversity which use methods other than fee simple and less than fee simple acquisition of lands and waters. The results of the study shall periodically be reported to the President and the Congress, at the discretion of the Secretary.

NATIONAL REGISTRY

SEC. 8. (a) The Secretary, acting through the Office, shall establish and continuously update a national registry of sites.

(b) (1) Sites shall be identified by data supplied by Federal and State agencies in the performance of activities required or assisted by this Act, and shall be entered on the registry if the Secretary determines (i) they are qualified by virtue of their natural attributes and constituent element or elements of natural diversity, and (ii) the maintenance of such element or elements would contribute to the attainment of the goal of this Act.

(2) Of the sites entered on the registry, the following sites shall be known as Natural Diversity Preserves.

(A) sites, privately owned or owned or managed by Federal, State, or local governments which meet the requirements of clause (1) of this subsection and are subject to and have applied to them Federal, State, or local government laws, regulations, and policies which the Secretary determines, in accordance with guidelines issued by him, are adequate to assure the maintenance of the element or elements of natural diversity on such sites;

(B) sites acquired with funds of grants made pursuant to section 6 of this Act;

(C) Sites acquired by Federal land management agencies pursuant to section 10(c) of this Act; and

(D) sites on Federal lands designated for entry on the registry by the appropriate Federal land management agency pursuant to section 10(b) of this Act.

ASSESSMENT AND ANNUAL REPORT

SEC. 9. The Secretary, acting through the Office, shall—

(1) employ the registry and other information provided by Federal agencies and the States to monitor and assess the status of natural diversity throughout the Nation; and

(2) prepare an annual report to the President and the Congress which provides a summary of the assessment required in clause (1) of this section, a list of the National Diversity Preserves entered on the registry pursuant to section 8(b)(2) of this Act and the element or elements of natural diversity present and maintained at each site, an analysis of the progress made in meeting the goal and requirements of this Act, a statement of program goals and deadlines for the upcoming fiscal year and five fiscal year period, and a discussion of any revisions in the Act which the Secretary deems necessary.

FEDERAL AGENCY ACTIONS

SEC. 10. (a) Each Federal land management agency shall establish a natural diversity program and data management system comparable to those which a State must establish to be eligible for grants pursuant to section 5 of this Act.

(b) Each Federal land management agency is directed to protect elements of natural diversity found on its lands by designating specific sites on such lands for entry on the registry and developing and implementing management programs to assure the maintenance of such elements.

(c) Each Federal land management agency is authorized to acquire by donation, purchase, or exchange private lands to protect elements of natural diversity.

(d) No agency of the United States shall take any action or assist any undertaking by loan, grant, license, or other action which would adversely impact or destroy the element or elements of natural diversity present at any site entered on the registry.

(e) Within one year after the date of enactment of this Act and biennially thereafter, each Federal land management agency shall submit a report to the President and the Congress specifying how the agency's programs and activities have been revised to incor-

porate the maintenance of natural diversity as a management goal and describing the programs established pursuant to subsections (a), (b), (c), and (d) of this section.

(f) The Executive Office of the President shall issue guidelines to the Federal agencies to assist them in carrying out the requirements of this section.

TECHNICAL ADVISORY COMMITTEE

SEC. 11. (a) The Secretary shall appoint an advisory committee of not less than nine nor more than fifteen members. The advisory committee shall provide scientific and technical advice on all regulations, guidelines, and policies developed by the Secretary and the Executive Office of the President to implement this Act and perform such tasks as the President or Secretary may request, including evaluation of the implementation of any portion of this Act or of the performance of any Federal agency or State in fulfilling tasks required or assisted by this Act.

(b) Members of the advisory committee shall possess scientific or professional background and experience in the natural science and any discipline or subdiscipline thereof, and biological data management.

(c) The advisory committee shall terminate four years from the date of enactment of this Act, but the Secretary may, from time to time, appoint similar advisory committees when considering significant revisions in regulations, guidelines, or policies or when a major evaluation of agency or grantee performance is deemed necessary.

(d) The advisory committee shall meet no less than three times annually at the call of the Secretary. In the conduct of advisory committee business, a majority of the members of the committee shall constitute a quorum. Any vacancy on the advisory committee shall not affect its functions and shall be filled in the same manner as the original appointment.

(e) While attending meetings of the advisory committee, the members shall be entitled to receive compensation at a rate of \$100 per diem, including traveltime, and, while 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 in the Government service employed intermittently.

(f) Clerical and technical assistance, as may be necessary to discharge the duties of the advisory committee, shall be provided from the personnel of the Department of the Interior.

(g) All Federal agencies and States receiving grants pursuant to section 5 or 6 of this Act shall cooperate fully with the advisory committee by providing such information as the committee requests and, wherever possible, in the form requested.

AUTHORIZATIONS

SEC. 12. (a) There are authorized to be appropriated to the Secretary—

(1) for grants to the States pursuant to section 5 of this Act \$10,000,000 for each fiscal year 1979 through 1982;

(2) for grants to the States pursuant to section 6 of this Act \$50,000,000 for fiscal year 1979 and \$100,000,000 for each fiscal year 1980 through 1982;

(3) for acquisition of land by Federal land management agencies pursuant to section 10(c) of this Act \$25,000,000 for each fiscal year 1979 through 1982; and

(4) \$6,000,000 each fiscal year 1979 through 1982 to administer the provisions of this Act.

(b) Funds appropriated pursuant to clauses (a) (1) and (2) of this section shall be allocated to the States eligible to receive such funds on the basis of regulations promulgated by the Secretary, which regulations shall provide for 30 per centum of such funds to be distributed equally among such States and 70 per centum to be distributed accord-

ing to need. Need shall be defined in such regulations and shall be based upon the proportionate amount of the elements of natural diversity to be maintained in any one State and the degree of imminent threat to such elements.

(c) Funds appropriated pursuant to this Act shall remain available until expended.

By Mr. HUMPHREY:

S. 1821. A bill to amend title 5 of the United States Code to provide paid leave for a Federal employee participating in certain athletic activities as an official representative of the United States; to the Committee on Government Affairs.

ATHLETIC OPPORTUNITIES ASSISTANCE ACT

Mr. HUMPHREY. Mr. President, I am introducing a bill today which will protect our amateur athletes who are members of the U.S. delegation from enduring excessive financial strain as a result of taking a leave of absence from work to represent the United States in world athletic competition.

Our country is justifiably proud of our citizens who contend for world, Pan American and Olympic prizes. I would like to see even more talented young people try out for the U.S. teams.

But when loss of salary, of benefits and of job are factors to consider when deciding whether to attempt to qualify for the competition, many amateur athletes are forced to choose not to compete for a place on the U.S. team.

Mark Borchelt, a staff member on the Joint Economic Committee, with whom I have been associated for the past 2 years, provided me with valuable information on this dilemma. Mr. Borchelt, an Olympic and world competitor in crew since 1973, explained that a minimum leave of absence is necessary to provide flexibility in training and to enable a competitor to prepare adequately for competition. This creates a stronger, more mature athlete and team. "In this country, sports which require many years to master carry with them a great financial burden. These athletes have a hard time competing with foreign athletes who are subsidized by their countries," Mr. Borchelt explained.

Mr. President, I am not suggesting that this country begin to subsidize its amateur athletes, and I do not believe that our athletes would subscribe to such a policy. This bill only proposes to insure that our athletes who succeed in obtaining a space on a U.S. team do not have to suffer an additional financial risk of loss of his or her job. This bill would grant Federal employees who are members of U.S. teams paid leaves of absence for up to 90 days per calendar year. This time would be spent preparing for or participating in the competition.

Mr. President, I ask unanimous consent that the full text of the Athletic Opportunities Act be printed in the RECORD.

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

S. 1821

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 "Athletic Opportunities Assistance Act."

Sec. 2. (a) Subchapter II of chapter 63 of

title 5, United States Code, is amended by adding at the end thereof the following new section:

"§ 6327. Absence while representing the United States in certain athletic competition

"(a) An employee (as defined in section 2105 of this title) is entitled to leave without loss of, or reduction in, pay, leave to which he is otherwise entitled, credit for time or service, or performance, or efficiency rating for each day, not in excess of 90 days in a calendar year, in which he, as a member of the United States team, is preparing for or participating in athletic competition on the world, Pan American or Olympic level in a sport which is contested in either Pan American or Olympic competition.

"(b) For purposes of subsection (a), the term 'United States Team' includes any group leader, coach, official, or athlete who is a member of the official delegation of the United States to world, Pan American, or Olympic competition.

"(c) The Civil Service Commission is authorized to issue regulations for the administration of this section."

(b) The table of sections for chapter 63 of such title is amended by adding at the end thereof the following new item:

"6327. Absence while representing the United States in certain athletic competition."

By Mr. SCHWEIKER:

S. 1822. A bill to authorize the transfer of one of the Gettysburg Address manuscripts from the custody of the Library of Congress to the custody of the Secretary of the Interior; to the Committee on Rules and Administration.

Mr. SCHWEIKER. Mr. President, I am today introducing a bill to authorize the transfer of one of the two Gettysburg Address manuscripts presently in the custody of the Library of Congress to the custody of the Secretary of the Interior, for the purpose of placing such manuscript on display in Gettysburg National Park, Pennsylvania.

Of all the speeches and writings in the English language, none has ever expressed more movingly the simple truths that compel men to sacrifice all they have for their country as did the 10 sentences spoken by President Lincoln at Gettysburg 114 years ago. It is almost unbelievable that, at a site where more Americans died in battle than at any other place before or since, a brief speech dedicating a cemetery should have achieved as much importance to our history as the actual battle itself. But, unforgettable as the 3-day battle of Gettysburg was as the turning point of the Civil War, its role in our national spirit cannot be fully understood without connecting it with Lincoln's Gettysburg Address.

Four million Americans visit Gettysburg each year to view the battlefield and the monuments erected in memory of the heroes who struggled there. Although five copies of the original Gettysburg Address exist, none is on display at Gettysburg.

Certainly, there is no more appropriate place for display of one of the five copies of the Gettysburg Address than the place where it was delivered, and where the events occurred that prompted President Lincoln to speak so profoundly.

We saw last year a remarkable resurgence of interest by all Americans in our heritage. I think there can be no more fitting expression of this new desire by Americans to get in touch with their history than to allow visitors at our most famous battlefield to view an actual manuscript of the most famous address delivered by an American President.

My family and I have always had a keen interest in Gettysburg and its historical significance in American history. We have visited the battlefield on a number of occasions. On one of my earlier trips I was given a personal tour of the battlefield by General Eisenhower with other freshmen Congressmen during the last weeks of his Presidency in 1961.

My Pennsylvania colleague, the Honorable BILL GOODLING, has introduced identical legislation, H.R. 6024, in the House of Representatives. I strongly urge my colleagues in the Senate to act promptly and favorably upon this legislation which is, in effect, a gift to the American people.

By Mr. McCLURE:

S. 1824. A bill to relieve secondary and elementary schools from the costly and unnecessary burden of completing and filing Office of Civil Rights forms 101 and 102; to the Committee on Human Resources.

Mr. McCLURE. Mr. President, On June 29, the Senate passed, with my strong support, an amendment to the Labor-HEW appropriation bill offered by my good friend Senator HARRY BYRD, of Virginia, to somewhat limit the reporting requirements forced on our Nation's school systems by the Office of Civil Rights in the civil rights elementary and secondary school survey. Passage of this amendment is certainly a positive step, but in my view it does not go far enough since many schools will still be forced to submit these forms to receive Federal financial assistance. So far as I am concerned, no school in the United States should be forced to supply the information called for. Therefore, I am today introducing legislation to relieve elementary and secondary schools from the egregious burden of completing and filing the Office of Civil Rights forms 101 and 102. It has been graphically brought to my attention by a number of my constituents who are engaged in and dedicated to preserving quality education, that these required forms, far from insuring fair standards for "admission and treatment" of students regardless of "race, color, or national origin," instead serve only to impede and disrupt the educational process. Let me call my colleagues' attention to a letter written by Dr. Barney Parker, superintendent of schools, of the Independent School District of Boise, Idaho, to HEW Secretary Califano outlining his school district's experience and objections regarding these forms. I ask unanimous consent that Dr. Parker's letter be printed in full at this point, in the text of my remarks.

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

THE INDEPENDENT SCHOOL DISTRICT
OF BOISE CITY,

Boise, Idaho, May 23, 1977.

The Honorable JOSEPH CALIFANO,
Secretary of Health, Education and Welfare,
Washington, D.C.

DEAR SIR: Although the Independent School District of Boise City has completed and filed OCR Forms 101 and 102, this letter is to serve as a formal protest against filing the forms. The District first filed a protest in January 1977. However, it was decided that the District would complete the forms, and file a second protest.

Completing the OCR forms was extremely time consuming for district personnel. Hundreds of hours were involved in obtaining information and in filling out the forms. As a result, the educational program of the District was substantially disrupted. Instead of teaching and/or counseling students, district staff had to spend considerable time completing the forms. While the entire school year is important, this time of the year can be crucial for many students. Those students needed the assistance of their teachers, counselors and principals.

Additionally, much required information was not readily available. This resulted in much questioning of students about their backgrounds, primary language, etc. Besides prying into the various families' personal (and private) backgrounds, the unavoidable questioning singled out students as being "different." This also disrupted the total educational program as well as disrupting (perhaps impairing) many students' individual learning situations. Whatever the purpose of the OCR forms, the result was disruption of the educational process and the labeling of students.

The Boise School District is firmly committed to providing quality education for all students. In fact, this District is providing such educational services, and intends to continue doing so. However, filling out the OCR forms impedes the educational services provided and causes many unnecessary problems for students and their families. This District is staunchly opposed to such unnecessary inquiries, and urges that they be curtailed in the future.

Sincerely,

Dr. BARNEY C. PARKER,
Superintendent of Schools.

Mr. McCLURE. As Dr. Parker points out, the considerable number of man-hours required to complete these cumbersome forms is costly to district taxpayers, school personnel, and students alike; for valuable time which could be devoted to teaching or counseling students must now, in compliance with HEW Regulation 45 CFR 80, be spent eliciting personal information from students concerning their private family backgrounds, compiling data on confidential disciplinary actions, and worse, in scrutinizing the dimensions of toilet stalls within the given school district.

In my State, nearly two-thirds of the land is owned by the Federal Government, which means the tax base is extremely low. Every penny available to education is needed, and must be carefully used. Schools in Idaho simply cannot afford the cost of completing and filing these forms, without incurring a significant reduction in the quality of education. Any reduction in educational quality is too great, and I expect there are few States in the Nation where at least some reduction would not result.

Mr. President, I do not doubt the Office of Civil Rights has the authority to seek this sort of information. The relevant statutory language and regulatory definition are so broadly stated that a

"responsible Department officials" could compel a school district receiving Federal funds to supply virtually any information he, in his singular discretion, deems desirable. I certainly do not object to the collection of relevant information bearing some rational relation to the goal of determining whether the schools are in compliance with the civil rights law. But I do object to an abuse of discretion which amounts to the operation of an informational fishing expedition, seeking voluminous data for no related or stated purpose except that it might be of interest to someone, sometime.

I submit that these forms go well beyond reason, and in fact amount to unnecessary, oppressive, abusive overreaching, on the part of the Office of Civil Rights. In their overreaching, these forms go far beyond what is reasonably required for purposes of the law, and they should be scrapped and replaced if necessary.

It seems to me, Mr. President, various aspects of these forms can in fact be used to counter the entirely admirable purposes of the civil rights and rehabilitation laws. For example, the forms require a complete description, broken down by race of the student, of the incidents and forms of punishment or disciplinary action meted out in the classroom. It was my understanding the law was supposed to be color blind, yet this single requirement, mandating a racial categorization, results in calling further attention to racial differences by adding to the consciousness of a student's race on the part of the teacher as well as the other students. Moreover, it is ridiculous to expect a teacher to keep records of or log every instance he or she is required to discipline a student. In the long run, the result can be to harm the very people we seek to help.

Unfortunately, OCR forms 101 and 102 are not unique in character. From occupational safety and health, to truth in lending, to employee retirement income security, private individuals and institutions are forced to comply with reporting requirements in a seemingly endless barrage of federally mandated paperwork. Most of these things begin with ideas which are both good and sound; but somewhere between the idea's expression and its final implementation, something goes wrong.

I cannot accept the notion that when a program is authorized congressional responsibility for it is spent. It is high time we remembered and recognized it is Congress which is the policymaking branch of government, not the Executive and not the bureaucracy. To do less is to forsake our responsibility to the people who sent us here.

This bill is but a small start, but it is highly important if our schools are to be unfettered in carrying out their primary charge, which is of course to provide quality education. In the past several months, I have contacted the Office of Civil Rights seeking some voluntary loosening of the forms' requirements or merely an explanation of the rationale behind the specific questions asked therein. To date, I have not received the courtesy of a reply from OCR. Thus I

am compelled to introduce legislation to remedy the overreaching interpretation of the general authority extended by law and as defined in section 80.6(b) of HEW regulation (45 CFR 80).

I urge my colleagues to give favorable consideration to this bill, important to elementary and secondary education throughout the Nation.

By Mr. METZENBAUM (for himself and Mr. GLENN):

S. 1825. A bill for the relief of the estate of Charles Glatt; to the Committee on the Judiciary.

Mr. METZENBAUM. Mr. President, on behalf of my colleague Mr. GLENN and myself, I introduce a bill for the relief of Charles Glatt.

The purpose of this bill, Mr. President, is to provide congressional relief for a wrong for which no remedy exists. We can think of no case that would better fall into this category than the situation which this bill addresses.

Dr. Glatt was killed by an unknown assailant in the Federal courthouse of the U.S. District Court for the Southern District of Ohio while he was employed by the court to prepare a plan of school desegregation for the city of Dayton, Ohio.

Compensation was granted by U.S. District Court Judge Carl Rubin in the sum of \$25,000 together with the sum of \$2,973.83, representing out-of-pocket expenses during Dr. Glatt's term of service. This represents the total and sole amount granted to his estate arising out of the incident.

However, this sum merely represents payment for services rendered and does not compensate the family for the tragic loss nor does it take into account the tremendous sacrifice made by Dr. Glatt in fulfilling his responsibilities as a citizen.

This bill asks for the payment of \$260,000 in full settlement of all claims against the United States, with the further provision that such sum be exempted from being considered in the computation of any Federal tax owed by the estate or its beneficiaries.

The Committee on the Judiciary recommended passage of this bill last session. We are hopeful that the Judiciary Committee will take similar action this year.

By Mr. JOHNSTON:

S. 1827. A bill to amend the Energy Policy and Conservation Act, and for other purposes; to the Committee on Energy and Natural Resources.

ENERGY CONSERVATION AND RECOVERED
MATERIALS ACT OF 1977

Mr. JOHNSTON. Mr. President, today I am introducing the Energy Conservation and Recovered Materials Act of 1977. This bill will result in the creation of voluntary recycling targets for industry to encourage recycling or resource recovery of energy-intensive materials. I believe that this bill will significantly enhance the effectiveness of the overall energy program that President Carter has proposed.

When he presented his national energy plan to Congress earlier this year, the

President stated:

The ultimate question is whether this society is willing to exercise the internal discipline to select and pursue a coherent set of policies well in advance of a threatened disaster. Western democracies have demonstrated such discipline in the past in reacting to immediate, palpable threats to survival, as in time of war. But they have had less success in harnessing their human and material resources to deal with less visible and immediate threats to their political and economic systems. When dangers appear incrementally and the day appears far in the future, democratic political leaders have been reluctant to take decisive and perhaps unpopular action. But such action will be required to meet the energy crisis. If the nation continues to drift, it will do so in an increasingly perilous sea.

One of the surest, most decisive ways for the United States to cope with the energy crisis—and with growing shortages of other scarce natural resources as well—is to encourage maximum industrial recycling or resource recovery at all levels of American industry.

Recycling—the conversion of solid waste materials into new raw materials and products—is truly a dramatic, relatively inexpensive and readily available force for energy conservation. Essentially, recycling enables the Nation to reuse energy commitments already made in the original natural resource extraction—through mining and timber harvesting—rather than duplicate the same energy commitments for all new raw materials and products needed to satisfy the economy. Recycling means that old newspapers are industrially processed and converted into new newsprint; that old cardboard boxes are industrially processed and converted into new paperboard; that aluminum cans are recovered and industrially processed into new aluminum products; that copper wire and pipe are remelted and made into new copper products—all with remarkably less energy consumption than would have resulted if the same industrial products had been made from virgin natural resources.

During 1976, the aluminum, copper, lead, zinc, steel, paper and rubber industries alone conserved nearly 258 billion kWh of energy—the energy equivalent of 151 million barrels of oil—by using recycled materials in their industrial operations in place of virgin natural resource counterparts.

Unfortunately, however, American industry is literally just scratching the recycling surface. At the end of World War II, our national paper recycling rate was roughly twice what it is today. The aluminum industry projects that, with relatively minor Federal incentives, its current recycling rate can be doubled in the next decade.

Accordingly, the purpose of this bill is to establish a new industrial energy-natural resource conservation and recovery program aimed at maximizing industrial recycling within the next 10 years.

If this program, fostered by the Federal Government, is successful, it will—

First, conserve extremely significant additional volumes of industrial energy;

Second, conserve critically short metals and ores;

Third, reduce our Nation's growing dependence on foreign sources of supply of both energy and other natural resources;

Fourth, alleviate our Nation's growing solid waste problems, and reduce solid waste disposal costs for cities and States; and

Fifth, improve our rapidly deteriorating balance of payments.

Mr. President, I ask unanimous consent that the text of the bill be inserted at the end of my remarks.

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

Mr. JOHNSTON. The Energy Conservation and Recovered Materials Act of 1977 is patterned after part D of the title III of the Energy Policy and Conservation Act. The bill amends the Energy Policy and Conservation Act, and directs the Administrator of the Federal Energy Administration, or his successor, to develop and maintain, in consultation with the Administrator of the Environmental Protection Agency, a new industrial energy and natural resource conservation and recovery program. The Administrator is directed to set targets for increased utilization of energy-saving recovered materials for the metal and metal products, paper and allied products, textile mill products and rubber industries. These targets must be set within 1 year of the date of enactment.

The targets must be based on the best available information and established at levels which represent the maximum feasible increase in utilization of energy-saving recovered materials that each covered industry can achieve by January 1, 1987. Furthermore, the targets must be published in the Federal Register with a statement of the basis and justification for such targets.

The bill directs the Administrator to consult with each of the industries involved as well as with the Environmental Protection Agency as he establishes the targets. He must also consider the technological and economic ability of each such industry to increase its utilization of these materials by January 1, 1987, as well as all actions taken or which could be taken by each such industry or by government to increase that industry's use of energy-saving recovered materials.

By January 1, 1978, each corporation within the affected industries which is a major energy consumer—as defined by section 373 of the amended act—must report on the volume of energy-saving recovered materials that the corporation is using and the plans it has to increase such usage over the next 10 years. Beginning on January 1, 1979, annual reports are required from these corporations on their progress toward meeting their targets.

In addition, the Administrator must provide in the annual report, now mandated under current law, a progress report on the activities of this section.

I should note to my colleagues that the provisions of this bill are the same that were adopted by the House Subcommittee on Energy and Power in its markup of H.R. 6831, title I, part B, which is a part of President Carter's energy proposals. The President did not address this recycling issue in his sub-

mission to the Congress and I believe that there is a need to remedy this omission.

Finally, it is my intention to sponsor legislation that would provide a tax credit to those companies that purchase equipment for collecting and processing energy-saving recovered materials. I believe that this effort to stimulate the recovering of energy-intensive materials would be complemented by a tax credit provision. It is my understanding that the House Ways and Means Committee is now considering such a measure.

The text of the bill follows:

S. 1827

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 and Recovered Materials Act of 1977".

SEC. 2. Part D of title III of the Energy Policy and Conservation Act is amended by inserting the following new section after section 374:

"TARGETS FOR USE OF RECOVERED MATERIALS

"SEC. 374A. (a) For purposes of this section the term 'energy-saving recovered materials' means aluminum, copper, lead, zinc, iron, steel, paper and allied paper products, textiles, and rubber, recovered from solid waste, as defined in the Solid Waste Disposal Act.

"(b) Within one year after the date of enactment of this section, the Administrator shall set targets for increased utilization of energy-saving recovered materials for each of the following industries: The metals and metal products industries, the paper and allied products industries, the textile mill products industry, and the rubber industry. Such targets—

"(1) shall be based on the best available information,

"(2) shall be established at levels which represent the maximum feasible increase in utilization of energy-saving recovered materials each such industry can achieve progressively by January 1, 1987, and

"(3) shall be published in the Federal Register together with a statement of the basis and justification for such targets.

"(c) In establishing targets under subsection (b), the Administrator shall consult with the Administrator of the Environmental Protection Agency and with each of the major industries subject to this section, and shall consider—

"(1) the technological and economic ability of each such industry progressively to increase its utilization of energy-saving recovered materials by January 1, 1987, and

"(2) all actions taken or which could be taken by each such industry, or by Federal, State, or local governments to increase that industry's utilization of energy-saving recovered materials.

"(d) Any target established under subsection (b) may be modified if the Administrator—

"(1) determines that such target cannot reasonably be attained, or that it should require greater use of energy-saving recovered materials, and

"(2) publishes such determination in the Federal Register, together with a basis and justification for such modification.

"(e) Within each of the industries subject to this section, the Administrator shall notify each corporation which is a major energy consumer (within the meaning of section 373) of the requirements of this section. Not later than January 1, 1978, the chief executive officer of each such corporation (or individual designated by such officer) shall include in his report to the Administrator under section 375 a statement of the volume of energy-saving recovered ma-

terials that such corporation is using in each of its manufacturing operations located in the United States and what plans, if any, the corporation has to increase the utilization of such materials in those operations in each of the next ten years. Not later than January 1, 1979, and annually thereafter, each such corporation shall include in such report a statement of the progress it has made to increase its utilization of energy-saving recovered materials to reach targets established under this section by the Administrator for its industry. Such reports shall contain such information as the Administrator determines is necessary to measure progress toward meeting the industry targets established under this section.

"(f) The Administrator shall include in his annual report under section 375(c) a report on the industrial energy and natural resource conservation and recovery program established under this section. Each such report shall include—

"(1) a summary of the progress made toward the achievement of targets set by the Administrator under this section; and

"(2) a summary of the progress made toward meeting such targets since the date of publication of the previous report, if any."

(d) Section 376 of such Act is amended by—

(1) inserting "or 374B" after "section 372" in subsection (b),

(2) inserting "or any target under section 374A" after "374" in subsections (c) and (f), and

(3) inserting the following new paragraph at the end of subsection (g):

"(3) Paragraphs (1) and (2) of this section shall not apply with respect to the reports and information referred to in section 374A."

ADDITIONAL STATEMENTS

THE CYBER 76 COMPUTER

Mr. ROBERT C. BYRD. Mr. President, I want to express my support for the recent decision of the Department of Commerce in refusing to grant an export license for the sale of the Cyber 76 computer to the Soviet Union.

While I am certainly in favor of improved relations between the United States and the Soviet Union and look upon trade between the two nations as an important means of improving relations, I believe there must be some limitations on the items which we export to the Soviets.

I share President Carter's objections to selling such a sophisticated and powerful computer to the Soviet Union. The Cyber 76 is extensively used in several of our national security agencies.

As the Department of Commerce stated in rejecting the export license, the Cyber 76 "is far more powerful than any computer known to be available to the Soviet Union," and the likelihood of its diversion to military or strategic uses—although purportedly for weather research and forecasting—is of serious concern. There are no satisfactory safeguards to detect and prevent use of the system for military purposes.

I understand that last year Control Data Corporation sold one of its Cyber 173 systems to the Soviet Union and another to the Chinese. Those computers are smaller than the Cyber 76 and are reportedly being used for petroleum exploration. The smaller Cyber 173 is none-

theless a sophisticated computer, and its purchase was an important technological acquisition for the U.S.S.R.

Mr. President, I understand the importance of export markets for American technology. However, I think any sale of such advanced equipment should be based on a careful and rational export policy. I am convinced that the sale of the larger, more sophisticated Cyber 76 would not be appropriate and I support the administration's position in refusing to grant an export license.

ANNOUNCEMENT BY PRESIDENT CARTER IN OPPOSITION TO CONTINUED PRODUCTION OF B-1 BOMBER

Mr. GOLDWATER. Mr. President, the decision of President Carter on the B-1 bomber is one more indication of the foreign policy weakness of this administration. His reasons offered during the press conference as to why he made the decision to not continue with deployment of the B-1 are baseless and are not justified by the facts. It is a decision that I think should make all Americans apprehensive at the continued direction of weakness, indecision, and instability in President Carter's foreign policy.

I want to examine the so-called basis for President Carter's decision and point out the dangerous error and misjudgment that has occurred in making this decision. The President stated that the recent evolution of cruise missiles makes us more confident in being able to rely on that system. I do not disagree with the technological ability of the cruise missile, but I am greatly disturbed at the President's rationale that leads him to believe that they can eventually become the substitutes for manned bombers.

The President stated that we should begin deployment of cruise missiles using air launched platforms such as our B-52's, modernized as necessary. I point out that this is in the current Air Force plans to use the air launched cruise missile to complement the aging B-52 force and is certainly nothing new. In fact, the President appears to be indicating that this will be some sort of new strategic system, when it has been in the planning stage for many years and is just beginning to come to fruition.

He further indicated in that statement that the B-52's would be modernized, as necessary. There is a limit to how much "modernizing" can be done to the current B-52 G and H force which is averaging about 16 years in age. There is no way that the B-52 could be modernized so that it can fly at 200 feet and at 0.85 mach. This is what the military experts say is required if we are to be able to guarantee that our manned bomber force can penetrate to Soviet targets at the time the B-1 was programed to come into the inventory.

There is no way the B-52 can be modernized to have a radar return one-third less than it is now, which is about what the B-1 will have.

There is no way to modernize the B-52 so that it can carry up to 24 SRAM missiles if required, as the B-1 will be able to do, nor can it be modernized to be able

to carry the total weapons load that the B-1 will be able to do. It is this weapons load our military experts say will be required during that time period to guarantee adequate target damage expectancy.

There is also no way to modernize the B-52 in order that it can reduce its take-off time to the point where it can be guaranteed to escape from the increasing Soviet SSBN threat should that force fire a missile at the B-52 base. That capability was going to be incorporated into the B-1.

There is a limit to the effect of modifications and the Air Force has previously pointed out that that point is near, with the current bomber force. I want to stress the point that greater speed, lower radar cross section, and higher resistance to nuclear effects cannot be "modernized" into the B-52 force.

The President also indicated that we should explore the use of cruise missile carriers or what I have referred to in the past as the "standoff missile shooter." This also is a concept which takes the man out of the strategic Triad since he would orbit someplace outside of the Soviet Union while launching these cruise missiles at Soviet targets. There are basic and fundamental weaknesses in this type of so-called military system because there is no guarantee that targets can be destroyed, as required. If the cruise missile carrier orbits on or close to the Soviet border, he is subject to attack by Soviet long range fighters and he is not equipped to defend against them. If he elects to standoff further from the Soviet border so as to be out of range of the Soviet fighters, he has degraded the effective range of the cruise missile he carries and cannot guarantee that all targets can be reached.

There is another concern that I have over the President's apparent willingness to take man out of the strategic equation and place our security, in part, in cruise missiles. Cruise missiles are not supersonic and are quite capable of being shot down. They are not effective against highly defended targets because they have no unique capability to penetrate those targets either through the use of adequate electronic countermeasure systems or through other rollback techniques that the manned bomber uses. Further, the U.S. Navy today is in the process of bringing into inventory the close-in weapons system (Vulcan-Phalanx) which is specifically designed to shoot down cruise missiles. It must be remembered that the cruise missile always has to go to the target in order to expect to destroy that target, whereas the manned bomber has the option of being able to standoff out of the immediate heavy defenses and degrade those defenses with the short-range attack missile which is supersonic and not, in the foreseeable future, subject to being shot down. Then, if further weapons are required, the bomber is then able to proceed to that target in order to use a gravity weapon.

Mr. President, it is obvious that President Carter in making his decision has gone 180 degrees contrary to the joint strategic bomber study which was di-

rected by the Congress and in which examined all of the alternatives that the President appears to be about to use. The JSBS examined, among others, the B-1, a reengineered or improved B-52, and a wide-bodied jet, 747-type with cruise missiles. The conclusion of the study was that the B-1, as compared to five other alternatives, was substantially better in terms of performance and cost effectiveness than any of the other alternatives. The President, on the other hand, did not even advocate using the B-52 alternative as addressed in the joint strategic bomber study. Rather, he seems to be saying keep them as they are.

The President further indicated that continued efforts at the research and development stage will give us better answers about the cost and effectiveness of the B-1 bomber and support systems, including electronic countermeasure techniques. I point out the initial contract for the B-1 was in June 1970 and more than adequate time has elapsed for us to determine the cost and effectiveness of bomber and support systems. There is absolutely no shortage of data in this regard nor are any new data going to be found.

One of the more comprehensive analyses, in my opinion, was given by Gen. Russell E. Dougherty, the Commander in Chief, Strategic Air Command, when he wrote to me on February 23, 1976. He stated:

I view the B-1 as the best candidate vehicle reasonably available to satisfy the future requirements for a modern manned penetrating bomber—and to provide the U.S. with the diversified characteristics that are and will be needed in our complementary mix of strategic delivery systems. Not only do I view it as the best, I do not see any other comparable system that can reasonably be expected to do this job as I think it must be done for assurance—or for long term economics.

General Dougherty also discussed alternatives and made this comment about why the Strategic Air Command did not support the various alternatives to the B-1 that have been suggested. He stated:

We have not supported those alternatives for the overall reason that none of them has stood the tests of long-term sufficiency, cost effectiveness, or supportability over the years ahead. They may have superficial or analytical appeal to some, but they don't measure up with those of us who must maintain and operate our deterrent forces.

To some degree, all the alternatives suggested are either an upgrading of existing equipment that offers expensive short-term improvement without long-term sufficiency, or inadequate performance to remain viable under anticipated high threat situations.

Regarding the B-52, General Dougherty said:

The various models of the B-52 have provided us a magnificent penetrating bomber; its design has given us the inherent growth potential to adapt to changed penetration tactics, offensive and defensive avionics enhancement, and to accommodate to improved types of air-launched missiles and bombs. But the operational B-52 has carried a primary deterrent load for over 20 years, and its ability to adapt to change and modification is not infinite—regardless of its sterling performance throughout those two decades. The basic B-52 technology is that of the 1950's. The aircraft is soft to blast effects; its launch and escape time is rela-

tively long; its radar reflectivity is great; it has no supersonic capability it cannot penetrate at extremely low altitudes; it is expensive to man and maintain; its design characteristics preclude flexibility in dispersal and deployment. Importantly, even though modified and upgraded, it would be perceived as "nothing new" in the dynamics of deterrence.

Our serious study of the major B-52 modifications proposed as an alternative to the B-1 procurement (e.g., larger engines, redesigned wing, fuselage extension, etc.) leads us to the reasoned conclusion that these improvements will not provide the modern characteristics needed for the future and are, in sum, expensive stopgap measures that would provide neither an adequate nor a cost effective long-term vehicle to do what we see as required. While I could support these B-52 modifications as desirable to upgrade its viability during the remaining time it is part of our strategic force, they do not offset or obviate the requirement for the B-1. Also, such extensive modification program would cause a protracted reduction in our operational bomber inventory when the need for these delivery systems is increasing.

Mr. President, I am further concerned about the reaction this decision will have on our ongoing SALT negotiations. The President indicates that we should press on with the deployment of cruise missiles with the B-52 force, yet these missiles are highly controversial in the negotiations. It may have been that the B-1 might have been some sort of a bargaining chip during the negotiations as a trade or some sort of compromise on cruise missiles, but what do we have left to negotiate with now. Is the President prepared to give up cruise missiles, regardless of their range category, in order to get some sort of SALT agreement. And, if he is, what then does our strategic force look like when such an agreement is concluded.

Mr. President, there still is some question about what the rescission notification process will be on the fiscal year 1978 funds and how that will be resolved. Although the President has made the announcement that the production will not continue, I am not confident that is the last word. I believe the Congress still has an opportunity to involve itself in this decision process.

EMPLOYEES OF MANY BIG COMPANIES TO GET STOCK WINDFALL FROM 1975 TAX LAW CHANGE

Mr. LONG. Mr. President, the word is going out across the land: Capitalism is good for you.

We in Congress knew it when we passed the Tax Reduction Act of 1975. Since that time, corporations and their employees have begun to realize the many benefits of employee stock ownership.

I am encouraged by the growth of employee capitalism, and I hope other Senators interested in the health of our economic system will continue to work with me to increase the participation of American workers in the ownership of their companies.

I was delighted to see that such a widely read and respected newspaper as the Wall Street Journal, in its editions of June 15, 1977, carried a report on the new Tax Reduction Act employee stock ownership plans. I ask unanimous con-

sent that the article be printed in the RECORD.

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

[The Wall Street Journal, June 15, 1977]
CREATING CAPITALISTS—EMPLOYEES OF MANY BIG COMPANIES TO GET STOCK WINDFALL FROM 1975 TAX LAW CHANGE

(By James C. Hyatt)

Employees of many of the nation's largest corporations are starting to take more than casual interest in their bosses' capital-spending plans.

Because of tax-law changes, the more brick, mortar and equipment a company installs, the more its employees can benefit instead of the federal Treasury.

The device permitting this diversion is the Tax Reduction Act stock-ownership plan, created in 1975 and labeled "Trasop" by compensation experts. It allows employers to claim as a credit against taxes an amount equal to 1% of their capital spending if the money saved is used to buy company stock for employees at no cost to the workers.

Assume that a company builds a \$100 million widget plant. It can use the long-standing investment tax credit to subtract 10% of that amount, or \$10 million, from its tax bill. Then, with the Trasop, it can take off an additional 1%, or \$1 million. "You're giving it to your employees instead of giving it to Uncle Sam," notes Charles Selinsky, a vice president of Bankers Trust Co. in New York.

Dozens of the nation's biggest companies, including such familiar names as American Telephone & Telegraph Co., General Motors Corp. and Exxon Corp., are moving to do just what the law allows. Many more are considering the idea. "There's a great upsurge of interest," Mr. Selinsky says. Eventually the plans may divert hundreds of millions of dollars a year out of federal revenues and into employee-owned company shares.

AT&T'S PLAN

Last month the concept got the AT&T seal of approval when the huge utility announced the largest such plan so far. Late this year, AT&T expects to issue \$87 million in Ma Bell stock to employees.

Although \$87 million "is not a big piece of the Bell System, it is a piece," declares David Riess, AT&T's manager of financial planning. He says the tax credit "does provide a rather small source, but nonetheless a source, of equity financing for the corporation"—as well as an extra benefit for its employees.

Under its plan, AT&T will allocate about 1,350,000 shares this year to 850,000 employees. To be eligible, they must have been paid some time during 1976, have worked a total of three years for the Bell System in their career, and have worked 1,000 hours during a specified period.

General Motors recently made the first distribution of stock under its plan, says Kenneth Olthoff, the company's assistant director of employee benefits. About 120,000 salaried employees, excluding those eligible for a separate bonus plan, have received \$9.5 million in GM stock. Although the plan works out to only \$90 of stock for the \$20,000-a-year employee, "the general response has been positive," Mr. Olthoff says.

Many large firms that at first shied away from the stock-ownership plans when Congress opened the way in 1975 now are showing interest. While the 1975 law permitted the 1% tax credit for only two years, the 1976 tax act extended it through 1980. And many companies are considering setting up tax-credit stock plans retroactive to 1976 so they can claim the credit in yet-to-be-filed tax returns for last year.

Other employers, like the Mobil Oil Corp.

subsidiary of Mobil Corp., seized the opportunity soon after the 1975 law was enacted. Says Chris O'Finn, a Mobil Oil attorney: "We thought the congressional idea of stimulating employee stock ownership through tax incentives was a good one, and we wanted to encourage Congress to continue the tax incentives." In its first allocation, the Mobil subsidiary gave about 50,000 employees some 55,000 shares valued at \$3.3 million.

CORPORATE PLANS

Many other companies with big capital-spending habits are joining the Trasop parade. They include paper companies such as Federal Paper Board Co. and International Paper Co. and utilities such as Consolidated Edison Co. in New York, Philadelphia Electric Co. and Florida Power & Light Co. in Miami.

Hewitt Associates, a Deerfield, Ill., consulting firm, recently surveyed 423 of the nation's largest corporations and found 54 have already started or are creating such stockownership plans; and another 60 are reported "actively considering" the idea. (About half the plans in operation are open only to salaried, or to salaried and non-union, employees Hewitt's survey found.)

Despite this corporate interest, the Trasop idea has drawbacks that may deter some employers. Unless a company makes sizable capital expenditures, the amount of stock each employee gets may be insignificant, perhaps not worth the administrative cost involved. There may be dangers of exaggerating the attractions of this added employee benefit. And many companies "are concerned about what happens in 1980 if this isn't extended," says Don Sullivan, a vice president of Towers, Perrin, Forster & Crosby, a consulting firm based in New York.

For now, though, the concept is clearly catching on. The driving force behind it is Russell Long, the chairman of the Senate Finance Committee. For years the Louisiana Democrat has sought to put shares of stock in the hands of employees through a variety of legislative proposals. This latest approach, though more limited than other employee stock-ownership plans currently in effect, has the obvious appeal of being simple, direct and low in cost to employers.

"THEY LIKE IT"

"Practically anybody with a substantial investment tax credit has gotten into it," declares Wayne Thevenot, Washington, D.C., consultant and former aide to Sen. Long. "Congress has made an offer that many companies will find hard to refuse," Mr. Sullivan reasons. "They can give their shares to employees, with the compliments of the U.S. Treasury, at least through 1980."

The idea of offering workers an added benefit through a Trasop plan appeals to many companies. "We got into it because it is a benefit for employees," says Al Solecki, manager of the financial division at Philadelphia Electric. "They like it. They're interested in it." As a byproduct, many have joined a separate employee stock-purchase plan, using their own money.

The utility generated about \$700,000 under the tax-credit provision in 1976 and distributed about 44,700 shares of company stock to employees with more than six months' service. Each gets about one-quarter share for each \$1,000 in pay. A larger distribution is expected this year.

"We think the Trasop will motivate our employees to be more productive and more interested in the company's success," says Dan Walden, a spokesman for Consolidated Edison Co., the big New York utility. Con Edison soon will make the first allocations under its plan, amounting to about \$1.8 million in stock spread among 4,000 to 5,000 salaried managerial employees. Under the formula, a \$15,000-a-year employee would

receive this year about 7½ shares of stock currently worth about \$165.

Florida Power & Light Co., initially covering only workers who didn't belong to unions, last year distributed stock worth about \$900,000. Beginning this year, the utility is bringing the rest of its 10,000 employees under the plan as well. Reaction "has been very favorable," says Joe Howard, assistant treasurer.

While some companies' plans are generating only \$500,000 or so a year for giving stock to employees, "others are running many, many millions," says William Elkman a Bankers Trust vice president. And as more companies adopt Trasop plans, the loss of federal tax revenues will grow. The budget for the fiscal year beginning next Oct. 1 estimates that the tax-credit provision will cut revenues by \$255 million. Calculations by the Senate Finance Committee indicates that by fiscal 1981 the revenue loss may be much greater.

But advocates of the Trasop legislation feel that the benefits are well worth the cost. If anything, they would like to liberalize the law. "If we had our way," Mr. Thevenot declares, "we'd give the present 10% investment tax credit to employees and 1% to the stockholders."

He says that by 1980, when the present legislation expires, "our hope is that some of the missionary work will catch on." Already he insists the Trasop plans have been immensely successful in acquainting the business world with the concept of "broadening ownership of capital."

MIDDLE EAST POLICY

Mr. DANFORTH. Mr. President, I want to present my views on the Middle East today, not in an attempt to contribute to any partisan diatribe on the administration's proposals, but in an effort to contribute to the recent dialogue on this crucial issue, which has been significantly advanced by Senator JAVITS' comments last Monday.

I have serious reservations about the policy being espoused by the Carter administration and about the tactics currently being employed.

These reservations were increased by this week's State Department news release. To say as it did, that the United States considers Israeli withdrawal from all three fronts—Sinai, Golan Heights, and Gaza—to be necessary to a successful solution of the conflict and then to follow that statement with the assertion that the negotiations "must start without any preconditions for either side" is the height of obfuscation and contradiction.

The signals which are transmitted to the Arab nations by the administration's assertion of the need for withdrawal to "approximately" the pre-1967 borders are bound to raise expectations on one side and prejudice the course of the negotiations.

The reservations which I have about the style of diplomacy, however, run deeper than the apparent contradiction described above. The specificity of the administration's proposals, even if neutral, which I do not believe these have been, could have the effect of forcing the parties involved to take firm positions prematurely, which would be difficult to rescind during the actual negotiations.

I believe that the administration's plan puts a perspective on the conflict

which is wholly American and far too academic. It is easy for us, here in this air-conditioned forum surrounded by District policemen, to assert that the Israelis should allow Palestinians on their borders. It is another thing altogether for the citizens of Maalot and Kiryat Shimona to accept such a "solution."

My reservations do not merely concern the administration's style, however. The major problem which I see in the Carter peace proposals is the imbalance of demands on Israel as compared to those on the Arabs.

Although the implementation of both Israel's territorial concessions and the Arabs' political concessions would be on a phased-in basis, the nature of these concessions would be inherently unequal. Political concessions, whether they involve recognition and diplomatic contact or even trade and open borders, are easily reversible. No written agreement would prevent the Arabs from renegeing on the political terms of any agreement, if they consider it necessary to do so.

The concessions being demanded of Israel, however, since they involve the transfer of large tracts of land, are, for all practical purposes, irreversible. Israel's lightening success during the Six Day War is unlikely to be repeatable as the power of the Arab nations continues to grow.

I am not declaring that the exchange of "territory for peace" policy is doomed to failure. I am clearly stating my position that for the United States to give the impression of pushing Israel into such an agreement constitutes a great disservice to a faithful and valuable ally.

I believe that the bottom line of any American policy in the Middle East must be an unwavering support for the continued existence and prosperity of the State of Israel. All peace proposals must be judged in that light and espoused with that goal in mind.

WORLD FOOD AND NUTRITION STUDY

Mr. HUMPHREY. Mr. President, yesterday I shared with the Members of this Chamber the summary of the recently released "World Food and Nutrition Study" by the National Academy of Sciences.

This timely and thoughtful report should be read by every individual who is concerned with the world food problem.

As I said yesterday, this study offers both a great challenge and great promise in the struggle to alleviate world hunger.

Mr. President, there have been a number of news stories on this important study. These articles not only summarize the most important points made by the study, but give the reaction of some of the world's leading authorities to this report. I think that these articles are extremely important reading. Therefore, I ask unanimous consent that the text of 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 Christian Science Monitor,
June 23, 1977]

**FEEDING THE HUNGRY—DRAMATIC NEW SURVEY
U.S. STUDY SAYS FAILURE WILL HARM "HAVES,"
TOO**

(By Robert C. Cowen)

The National Academy of Sciences has given the United States a stark warning: Join with the "hungry" nations to develop an agriculture that can feed all the world's people, or face serious food problems at home within the next few decades.

The academy study appears at a time when the U.S. is looking for more meaningful ways to combat hunger than just giving away food or trying to export techniques of energy-intensive farming, says James T. Grant, a member of the steering committee for the study.

After two decades of letting its agricultural research languish, the United States needs to revitalize it along lines that will produce new crops, sharing this work with developing lands and profiting from research done abroad. The academy study, Mr. Grant adds, contains a wealth of detailed suggestions on the kinds of research worth pursuing.

In short, the study warns that the challenge of world hunger translates into a domestic challenge for the U.S. that is as serious and as fundamental as the energy shortage.

This is the context in which to view the report, says Mr. Grant, also president of the Overseas Development Council. Commissioned by former President Ford as a follow-up to the 1974 World Food Conference, the study should also be seen against the background of President Carter's foreign policy, Mr. Grant notes.

In his unprecedented, special inaugural address to foreign countries, broadcast overseas last January, Mr. Carter not only pledged to work with other nations to tackle such basic problems as poverty and hunger, but was the first U.S. president to call freedom from hunger a basic human right. Since the address, American diplomats have been reinforcing this message.

The academy study, which reflects the analyses of some 1,500 experts, smashes several stereotypes that have clouded American perceptions of the world food situation. Among the findings of the study:

The vaunted productivity of U.S. agriculture is faltering. Yields per acre of major crops are no longer increasing. Indeed, they are below levels of three years ago.

The energy-intensive farming of Western nations, with its emphasis on chemical fertilizers, pesticides, and heavy irrigation, not only is unsuitable for developing nations but is no longer appropriate for industrial countries either. In the United States, it not only shows diminishing returns, but is feeding inflation as strongly as is the high price of oil.

The new breadbaskets of the world over the next 25 years are in the developing countries. They are the ones with the greatest capacity to increase food production at current prices, if they can lick the organizational problems that stand in their way.

The kind of research needed to boost food production in developing countries is the same as that which the U.S. needs to meet its own increasing food needs. This is research that emphasizes biological productivity—boosting food yields by developing crops that do not depend heavily on fertilizers, pesticides, or intensive irrigation.

[From the Christian Science Monitor,
June 23, 1977]

**FEEDING THE HUNGRY—DRAMATIC NEW SURVEY
SUCCESS IN 20 YEARS SEEN IN WORLD "WILL"**

(By Clayton Jones)

The worst aspects of world starvation could be ended in 20 years with the help of un-

tapped "political will" of both rich and poor nations.

So concludes a two-year, government-sponsored study of world hunger by a panel from the U.S. academic and scientific community.

Poor nations, which will need to double food production by the year 2000, show increasing ability to use available remedies to do so, the study from the National Academy of Sciences concludes.

And developed nations, which require more and more grain to meet demands for better diets, are learning that there are return benefits in helping the hungry help themselves, while not pushing inappropriate solutions on the world's small farmers, the study adds.

The study, ordered by President Ford, is the collected response and recommendations of more than 1,500 scientists and others to the challenge posted at the 1974 World Food Conference in Rome, at which former U.S. Secretary of State Henry Kissinger pledged that "within a decade no child will go to bed hungry."

"We believe that a latent political will now exists in numerous countries which could be mobilized in a mutually supporting fashion . . ." the report states.

But for now, "the world food system is not working adequately for either poor or rich countries," says the new report from a 14-member steering committee headed by Harrison S. Brown, professor of geochemistry and of sciences and government at California Institute of Technology.

"Increasing numbers of people are hungry and malnourished. Possibly as many as 450 million to 1 billion (out of 4 billion) persons in the world do not receive enough food."

"Malnutrition causes more damage than outright starvation. The loss of vitality undermines a person's capacity to savor life . . ." concludes the study.

Among the report's other conclusions:

Emergency world grain reserves should be built up, but such short-term steps should not distort goals for higher productivity on present lands, especially in some 90 less-developed nations where the hungry are concentrated.

The United States should give a high priority of 22 research topics, starting with how diet affects human performance, which foods meet certain needs, which government actions indirectly affect nutrition, how to improve nutritional awareness, and a series of ongoing scientific studies, and ending with a study of international food policies.

No action is more important for improving the world food situation than reduction of birthrates. But the study also suggests that only new social and economic changes that will increase food production are conducive to reducing fertility rates, even though they may cause a nation to experience a short-term population increase.

American technology cannot solve the hunger problem in other countries, where local research needs to be supported to come up with appropriate local solutions. "We have much to learn from their [farmers'] experience," the report says.

Addressing U.S. "decisionmakers," the report calls for several government changes, such as more coordination of food policies between the White House and Agriculture Department. It asks for increased funding, now totaling about \$700 million, for domestic and international research into nutrition and the social impacts of hunger and its solutions.

The \$1.2 million study comes as the following actions are being taken:

Congress is in the midst of revising America's food aid program, called PL 480, and also deciding funds for international development programs for the next two years.

An April analysis from the U.S. General Accounting Office suggests the national focus is changing from an agricultural policy reflecting an age of surplus and narrow farming

interests to a food policy encompassing U.S. consumers and world nutrition.

Bob Bergland, President Carter's Agriculture Secretary, who is just finishing a world tour, wants the International Wheat Council, which begins meetings June 27 in London, to start building nationally held food reserves in case of a world shortfall and to lessen America's job of being the "world's grain elevator." Secretary of State Cyrus Vance's worldwide negotiations on human rights include a "right to be free from hunger."

[From the New York Times, June 23, 1977]

**PANEL SAYS FOOD RESEARCH DRIVE COULD END
FAMINES IN GENERATION**

(By Boyce Rensberger)

The threat of chronic malnutrition and repeated widespread famines could be removed from the world within one generation if the United States and other countries mounted a major mobilization of research on agriculture and nutrition, a panel of experts convened by the National Research Council has concluded.

In a 192-page report to President Carter released yesterday, the panel set forth an analysis of the world food and nutrition situation, listed 22 areas of research deserving high priority and proposed a plan for getting the work done.

Among the recommendations is one that the Department of Agriculture increase by \$120 million (20 percent) its outlays for research and add \$100 million a year to build new research facilities. The panel also proposed tripling the \$30 million a year now spent by the Agency for International Development to help poor countries to improve their own capacity for agricultural research.

The specific areas of research recommended emphasize new methods of improving crop yields that do not depend on such costly factors as fertilizer or irrigation but can be used at little or no extra cost to the farmer. Such gains would be equally useful to American farmers and those in poor countries.

The panel, led by 15 of this country's top specialists in the science and economics of food production and distribution, reached its conclusions after a two-year study commissioned by President Ford. It drew on the resources of 1,500 scientists, farmers, government officials and others in the United States and many other countries.

The report by the council, the operating arm of the National Academy of Sciences, is probably the most comprehensive assessment of the prospects for eliminating hunger and malnutrition ever published.

Although good growing weather has removed the threat of immediate famine from most of the world, the report estimates that between 450 million and one billion people remain malnourished. Unstable weather patterns, foreseen by some climatologists, threaten many marginal growing regions with renewed famine and the United States with severe inflation of food prices.

REPORT IS CAUTIOUSLY OPTIMISTIC

The report is significant because it is cautiously optimistic and because it devotes considerable attention to the social and economic aspects of overcoming hunger, facets of the problem that the scientific community has been criticized for neglecting in the past.

Even if food production were to double in the poor countries by the year 2000—something that must happen if hunger is to be eliminated—there would still be large numbers of hungry people if there were not also improvements in the distribution of wealth, said Harrison S. Brown, chairman of the 15-member panel.

Mr. Brown is a professor of science and government at the California Institute of Technology.

Eliminating hunger, the panel said, depends not only on increasing food produc-

tion but also on reducing poverty, stabilizing food supplies through reserve systems that hold surpluses for times of scarcity and reducing population growth.

Achieving such goals will not be easy, but enough promising successes have been achieved in some poor countries to suggest that it is possible, the report added.

"If there is the political will in this country and abroad to capitalize on these elements," it said, "it should be possible to overcome the worst aspects of widespread hunger and malnutrition within one generation."

'POLITICAL WILL' HELD VITAL

'Political will' is a key factor, the panel said, for without strong leadership from both the White House and Congress the crucial role that the United States could play in eliminating hunger will go unplayed.

The report sees some hope on this point in Congress's passage last year of a "right-to-food" resolution and in President Carter's pledge in his inaugural address that the United States would take the lead in working toward fulfilling a basic human right to be free of poverty and hunger.

More recently, Andrew Young, the United States representative at the United Nations, told the Economic and Social Council that combating hunger and famine should be the first priority in the struggle to promote human rights.

The panel said that Western-style industrial development was not necessarily a prerequisite for freedom from hunger. It cited such countries as Sri Lanka, South Korea, Taiwan and China, where the problem has been largely solved under widely different political systems. All have per capita incomes of less than \$300 a year.

In addition to the recommended increases in research spending, the report urged that the Department of Agriculture widen its interest to include problems of hunger and malnutrition around the world. It said that researchers sponsored by the department should work in closer collaboration with scientists in other countries.

REVERSAL IN TREND URGED

In recent years, the study found, the knowledge among American scientists of conditions in developing countries has declined as has their involvement in research there. This trend should be reversed, the report said.

The panel also called upon the White House "to develop and maintain a coherent United States strategy for dealing with world food and nutrition problems." And it asked the President to facilitate coordination of American and international research in food and nutrition.

Among the members of the steering committee that produced the report were David E. Bell, vice president of the Ford Foundation; James P. Grant, president of the private Overseas Development Council and Howard H. Hiatt, dean of the Harvard School of Public Health.

Also, Nevin S. Scrimshaw, head of the department of nutrition and food science at Massachusetts Institute of Technology; Sylvan H. Wittwer, director of the agricultural experiment station, Michigan State University and Sterling Workman, vice president of the Rockefeller Foundation.

Joel Bernstein of the National Academy of Sciences was the director.

Copies of the report, entitled "World Food and Nutrition Study," may be obtained at \$6.75 a piece from the National Academy of Sciences, Printing and Publishing Office, 2101 Constitution Avenue NW, Washington, DC 20418.

[From the Washington Post, June 26, 1977]

SOCIAL CHANGE SEEN KEY TO HUNGER ISSUE

(By Dan Morgan)

A panel of experts has told President Carter that the world hunger problem cannot be solved just by increasing food production, that countries also must make broad changes in their social and economic structures.

The findings were reached after a two-year study of the hunger issue by a panel organized by the National Academy of Sciences. Although the report appeals for more government spending for research, it also gives unusual emphasis to the need for non-scientific solutions.

American policy makers traditionally have stressed the need for foreign countries to produce more food, and this country has spent billions of dollars on scientific research to increase grain yields. But the situation that exists in the world this summer shows that more food alone is not the answer. American farmers and grain storage depots are still holding 30 million tons of unsold wheat from the 1976 harvest. Yet the panel's study found 450 million people suffer from malnutrition.

Tens of millions of these people have no money to buy food, or food has not reached them.

The 153-page report notes, for instance that "the major immediate cause of hunger is poverty." It emphasized that a solution to the food problem will require better food distribution, more even incomes among populations, trade reform and changes in tax farm credit and land ownership structures that discourage local farmers from growing more food.

Contrary to what many people assume, food production has increased slightly faster than population in the developing countries in recent years. Yet the study declares: "The rapid population growth and inequitable income distribution apparently have combined to increase the absolute numbers of malnourished people."

"We could double food production tomorrow and we still wouldn't solve the problem," said Harrison S. Brown at a press conference last week.

Brown, professor of geochemistry, science and government at the California Institute of Technology, led the study that interviewed 1,500 people and drew upon the talents of social scientists, food marketing experts, scientists and demographers.

It called for the United States to spend \$210 million to \$230 million more a year over four years for nutrition, plant genetics, population and food production research. Included would be an increase of \$120 million in the first year for more basic research by the Department of Agriculture. But, significantly, the study also urged a "sharp increase" in social science research.

"Science and technology alone cannot improve the world food and nutrition situation," it said. "Political will" holds the key to doubling food production in developing countries by the end of the century. That will be necessary to avoid famine and political upheaval, Brown said.

The United States will have to provide a substantial amount of the food that will be needed in wealthy countries as well as developing ones. However, farmers have been getting less grain an acre, on average, since 1972. Corn yields, for instance, have dropped sharply, perhaps because farmers have used less high-priced fertilizers.

Food deficits abroad are likely to have a heavy political impact, according to Brown. He said that "the prospects for urban violence will increase in this time" as unem-

ployed city dwellers fight for the food that is available.

Brown also warned that the United States has a vital vested interest in a solution to food shortages overseas. For as the demand for American food increases, food prices are likely to rise in the United States, he said. Brown was cautiously optimistic that a generation could be achieved.

The report, called "World Food and Nutrition Study," was prepared over two years by a committee picked by the academy's National Research Council. About 1,500 experts were interviewed or consulted here and abroad.

The final document warned indirectly against expecting too much from the "Green Revolution"—the name given to new, high-yielding rice and wheat varieties requiring large amounts of irrigation and fertilizer.

"The Green Revolution is a good example of the kind of complexity we're talking about," said Brown. "When the price of crude oil went up by a factor of four it had a bad effect on the Green Revolution" because it required large amounts of energy to produce nitrogen fertilizer from petrochemicals and run irrigation pumps.

The report urged that more money be spent on fundamental research, especially plant genetics which could lead to increasing food output at low cost and without large amounts of new energy.

For instance, plants now capture only 1 to 3 per cent of the sun's energy striking their leaves. Scientists are studying the process of photosynthesis to see if plants can become better "solar factories."

Another way of increasing plant output would be to develop species of corn that can draw their own nitrogen supplies out of the soil, the way soybean plants already do.

[From the New York Times, June 26, 1977]

EXPERTS CALL FOR NEW RESEARCH ON HOW PLANTS GROW

(By Boyce Rensberger)

In recent years American farm productivity has leveled off or even declined in some cases, and top agricultural experts say the reason is that the applied research that once led to steadily increasing yields has nearly depleted its storehouse of basic knowledge of how plants grow.

It is time, experts say, to learn more about the fundamental aspects of how plants capture solar energy and use it to assemble atoms of carbon, hydrogen, oxygen and nitrogen into food. Only then, they say, can scientists find new ways of manipulating the inner workings of corn, rice, wheat, soybean and other plants to push yields above present levels.

After more than a quarter-century of spectacular increases, the average national yield per acre of corn began declining dramatically in 1972, according to statistics compiled by the United States Department of Agriculture. Sorghum yields have fallen similarly. Yields of wheat and soybeans have largely failed to gain for most of this decade.

INCREASE IN FUNDING URGED

According to a major report on overcoming world hunger, submitted to President Carter last week by the National Research Council, an essential step toward such a goal is an increase in both the funding and scope of research sponsored by the Department of Agriculture. The department's research programs have been criticized as slow to take advantage of new avenues of scientific inquiry.

The report also urged a major change in the way the department's money was spent. The panel of top agricultural scientists who

produced the report, entitled "World Food and Nutrition Study: The Potential Contributions of Research," said that the department needed to be given a \$120 million increase (20 percent) for its research expenditures for the first year and additional \$60 million increases in each of the following four years.

The panel also recommended that half the increase funds be given out in grants for which any scientist could compete. This is the predominant method by which the Government supports other areas of research. In agriculture, however, experiment stations at land-grant colleges have done most of the publicly supported agricultural research since 1887, when the system was founded.

Although these stations and the department's in-house laboratories are responsible for much of the spectacular growth in American farm productivity of past decades, the panel felt they were not adequately exploiting new research opportunities.

By opening food and nutrition research to the entire scientific community on a competitive basis, new ideas are more likely to be developed, Dr. E. T. York, who headed one of the panel's study teams, said in an interview.

"Over recent years we've been depleting our basic storehouse of knowledge," he said. "We need to bring into food and nutrition research segments of the scientific community that haven't considered themselves part of this effort." Dr. York, who has been departmental administrator and head of a land-grant college of agriculture, is chancellor of the State University System of Florida.

The panel also urged that the department broaden its outlook from the needs of American farmers to problems of worldwide food and nutrition. Such an approach, Dr. York said, would be of benefit to the United States as well as to other countries.

The report notes that cooperative research with scientists in developing countries has yielded new plant varieties that proved beneficial for American farmers. Among examples cited in the report were the introduction of a virus-resistant grass from South America that has restored pasture lands in the Southeastern states, the adaptation of Nigerian beans of high nutritional quality by Wisconsin farmers, and the discovery of two soybean varieties from China that promise to permit large scale soybean farming in Southern states.

IMPROVING BUILT-IN CAPACITIES

One of the major directions in which new food research should move, the panel said, is toward crops and farming methods that require little or no added resources to exploit. In the past, many of the new "green revolution" plant varieties required fertilizers or irrigation or both to perform their best. Such costly inputs excluded many poor farmers from the benefits.

New advances, the report said, should rely more on improving built-in plant capacities such as photosynthesis and the ability to convert atmospheric nitrogen gas into fertilizer.

Such advances would benefit American farmers as well, many of whom are already pushing plant growth to the maximum possible with fertilizer. Also, since nitrogen fertilizer is made from fossil fuels, its supply is limited and its price is certain to rise over the long run.

Among the promising new avenues of research that the panel said should be pursued, were the following:

Increasing the amount of atmospheric nitrogen converted by plants into nutrient. Certain bacteria that live on the roots of some plants, chiefly legumes, do this now. If such bacterial strains could be made to live with cereal crops or if the ability to fix nitrogen could be genetically engineered

into crops, less chemical fertilizer would be needed.

Increasing the efficiency with which plant leaves use sunlight to synthesize food. Most plants use only about 1 to 3 percent of the light they receive. Studies indicate efficiency could be pushed toward a theoretical maximum of 12 percent. For example, some plants already have biochemical means of suppressing their consumption of stored food at night.

[From the Paris, France Herald Tribune, June 24, 1977]

U.S. STUDY ASSERTS RESEARCH CAN REMOVE HUNGER IN WORLD (By Boyce Rensberger)

NEW YORK.—The threat of malnutrition and repeated famine could be removed from the world within one generation if the United States and other countries mobilized research on agriculture and nutrition, a panel of experts convened by the National Research Council has concluded.

In a 192-page report to President Carter released yesterday, the panel set forth an analysis of the world food and nutrition situation, listed 22 areas of research deserving high priority and proposed a plan for getting the work done.

Among the recommendations is that the Department of Agriculture increase by about \$120 million its outlays for research and add about \$100 million a year to construct new research facilities. The panel also proposed tripling the \$30 million a year now spent by the Agency for International Development to help poor countries improve their own agricultural research capacity.

IMPROVING YIELDS

The specific areas of research recommended emphasize new methods of improving crop yields that do not depend on costly inputs such as fertilizer or irrigation but that can be used at little or no extra cost to the farmer.

The panel, led by 15 of this country's top specialists on the science and economics of food production and distribution, reached its conclusions after a two-year study commissioned by President Ford drew upon the resources of 1,500 scientists, farmers, government officials and others in the United States and many other countries.

The report by the council, the operating arm of the National Academy of Sciences, is probably the most comprehensive assessment of the prospects for eliminating hunger and malnutrition ever published.

Although good growing weather has removed the threat of immediate famine from most of the world at the moment, the report estimates that somewhere between 450 million and 1 billion people remain malnourished. Unstable weather patterns, foreseen by some climatologists, threaten many marginal growing regions with renewed famine and threaten the United States with severe food price inflation.

The report is significant not only in that it is cautiously optimistic but in that it devotes considerable attention to the social and economic aspects of overcoming hunger, facets of the problem that the scientific community has been criticized for neglecting in the past.

Even if food production were to double in the poor countries by the year 2000, something it must do to eliminate hunger, there would still be large numbers of hungry people if there were not also improvements in the distribution of wealth, said Harrison Brown, chairman of the 15 panel members and a professor of science and government at the California Institute of Technology.

Eliminating hunger, the panel said, depends not only on increasing food production but on reducing poverty, on stabilizing food supplies through reserve systems that hold

surpluses for times of scarcity, and on reducing population growth.

Achieving such goals will not be easy, the report said, but enough promising successes have been achieved in some poor countries to suggest that it is possible. "If there is the political will in this country and abroad to capitalize on these elements," the report said, "it should be possible to overcome the worst aspects of widespread hunger and malnutrition within one generation."

[From the Rome Daily American, June 26-27, 1977]

WORLDWIDE STARVATION IS PROBABLE, STUDY SAYS (By Warren Leary)

WASHINGTON.—Developing countries must double food production by the end of this century and reduce birth rates to avoid global starvation, a U.S. National Academy of Sciences panel has reported.

A committee of the Academy's National Research Council, after a two-year study, was cautiously optimistic that world famine can be avoided.

But it stressed that this conclusion depends upon governments making necessary political decisions and worldwide cooperation.

Its report recommends that the United States take the lead in performing agricultural research that could be applied abroad, and that the nation increase funding for food and nutrition research.

But panel chairman, Dr. Harrison E. Brown, said, "We are not taking the attitude that the United States can feed the world. We are saying that the word can feed itself with help."

Up to one quarter of the world's 4 billion persons are hungry or seriously malnourished, according to the report. Developing countries will have to feed an additional 1.8 billion by the year 2000.

USING MATERIALS

In addition to doubling food production and cutting birth rates, developing countries must make better use of available food and more productive use of land, the report said.

The study was delivered to U.S. President Jimmy Carter this week. Brown said he did not know if the White House would act on the report, but the initial reception has made him hopeful.

To give world hunger a new priority, the report said that the U.S. effort should be coordinated within the executive office of the President and that an assistant secretary of agriculture be appointed to be solely responsible for research and development of food.

While research should be done within the developing countries themselves the committee said developed nations like the United States should take the lead in priority research areas.

This includes developing plants that need little or no fertilizer, plants that use the sun's energy more efficiently for higher yields and those that are disease resistant.

Research also is needed on getting more food from the sea, developing better transport systems, to get food where it is needed, refining cultivation techniques for underdeveloped areas and improving food preservation, the report said.

FOREIGN POLICY

Mr. GOLDWATER. Mr. President, we have now had a chance to listen to our President for about a year as he sought the office and won it and to listen to his Secretary of State and others engaged in the formulation of foreign policy, and I defy any American to tell me what his thinking is on that subject other than

human rights. Is there anyone who can give me the basic strategy of the United States? Our strategy used to be deterrence based on retaliation, but I have not heard that spoken of in a long time. Is there any person in the position of command, or is there any commander other than those commanders we have in NATO who have a clear and succinct idea of what the forces under him are going to be called on to do in the case of an emergency? I doubt it. There was a time when deterrence and retaliation and honesty were our policy and they worked, but then there came a time when a President tried to apply that philosophy to the Vietnam war but without the realization that to achieve it we had to show force and we lost, and I remind you that was a war lost because the man in civilian clothes, whom the man in uniform respects, did not know anything about warfare and, if he did, he did not care about it. Vietnam is now past us, Thank God, but it has raised some tremendous questions in the minds of Americans. For example, will we fight over any needed or suggested changes in our relations with Panama? I doubt it. We have a War Powers Act now that virtually renders the Commander in Chief, our President, impotent and impossible of command.

There are many troubled spots in this world today created by misstatements, poor judgment and bad decisions on the part of this administration, and I do not care to touch on all of them right now. But I do want to touch on one that is of great concern to me. Last week at my invitation, Secretary of State Cyrus Vance very courteously paid me a visit. I have a habit of sitting down after visiting with people of importance in our government and dictating those things that transpired. I insert at this point in my remarks the transcript of my dictation on that conversation between the Secretary and me.

Now with the words of the Secretary still in my ears and still on paper, he has made a speech in New York in which he states that the full normalization of relations with Red China is something the Carter administration wants to achieve this year. Now I do not mind being told the truth, but I do not like an official of our Government telling me one thing and then saying exactly the opposite several days later. If the foreign policy of our Government is now based on deception, then we are in for real trouble. We are weakening ourselves around this world by kowtowing to the Communist nations, and it is no wonder to me that old, loyal friends of ours are beginning to wonder what the fabric and fiber of this new administration is. Frankly, I am beginning to believe it is a repetition of the weaknesses shown by other Presidents in this century, weaknesses which led us into war and I am offering this as a warning and I will continue to speak on it because I am afraid that the Carter administration is embarked on the same old road of falsehood and broken promises that has dragged this country into conflict too many times.

I ask unanimous consent that my memorandum of my discussion with Mr. Vance be printed in the RECORD.

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

JUNE 12, 1977.

From 3:20 to 4:00 today, June 21, 1977, I met with Secretary of State Cyrus Vance relative to several questions on foreign policy but chiefly Taiwan. It was relative to his coming visit to Red China, and I told him that it should be evident to both he and President Carter that as a result of the votes last week on Cuba and Korea that there was no way that we could break the Treaty with Taiwan where two-thirds of the Senate would have to vote for it. I further told him that at the present time no action that the President might propose could get through the Senate with the possible exception of Panama, and that would take a very, very large amount of education.

I pointed out to him that we have never abrogated a Treaty in our two hundred years' history and to do this to the little country of Taiwan would precipitate a very fast jumping off of the United States' bandwagon by small friends of ours around the world. I told him that Taiwan was never on the agenda of any discussions of Secretary Kissinger. I warned him that if the New England states were worried about the cheap fabrics and shoes coming in from Taiwan that Red China would deluge this country with even cheaper products.

I told him, in my opinion, any tampering with any treaty with Taiwan would result in an extremely sticky relationship with Japan, and if we went through with our intentions with Korea it could well mean we could lose Japan, Taiwan and Korea which would probably end the one hundred years we have maintained concern in the periphery of the Pacific.

He came back to the point that while the administration has been studying this whole matter of normalization of relations with Red China, there have been no decisions made and that his visit to Red China was not being made with the idea of offering any decisions or even exploring them. I have to attach this personal thought to our meeting, and that is that in spite of what the President says, and you will recall that he said as long as Taiwan has an Ambassador here we would always recognize Taiwan, I feel that he has allowed this recognition of Red China to enter further into his instincts and thinking than he cares to admit.

I told the Secretary I would be happy to visit with the President on this subject or the subject of Korea or Panama or Cuba at anytime. I ended the general conversation by reminding him that the President has not even called the Ambassador of Taiwan, Mr. Shen, and that I did not feel this would cause any undue disruption with the Red Chinese and I thought it would be a good idea for the President to pick up the phone and invite the Ambassador over just to get acquainted. With that he departed and said he would keep in touch with me on any developments.

NOMINATION OF THOMAS P. SULLIVAN TO BE U.S. ATTORNEY FOR THE NORTHERN DISTRICT OF ILLINOIS

Mr. STEVENSON. Mr. President, Thomas P. Sullivan is an able, experienced attorney. His personal probity, keen social conscience and his professional attainments make his one of the most auspicious nominations for U.S. attorney in memory. Mr. Sullivan is worthy of the Office of Attorney for the United States. He will exemplify the excellence of which the public service is capable.

Mr. Sullivan has been one of Chi-

cago's most respected private practitioners for over 20 years and will bring to the office of U.S. attorney broad experience in civil and criminal trial litigation.

Mr. Sullivan has served as a member, 1955-70, and chairman, 1958-59, of the Chicago Bar Association Defense of Prisoners Committee; as a member, 1965-71, and chairman, 1968-69, of the CBA Operation of Circuit Court Committee; as a member, 1959-68, and chairman, 1966-67, of the Illinois State Bar Association; section on civil practice and procedure, and as Illinois chairman of the American Bar Association Committee on Defense of Indigent Prisoners, 1963-68.

He was a cofounder of the legal opportunities scholarship program, established to assist minority students to attend Illinois law schools, and has represented his law firm on the Lawyers Committee for Civil Rights Under Law.

He has served as a member of the Board of Governors of the Illinois State Bar Association, 1961-62 and 1968-72, is a fellow of the American College of Trial Lawyers, and a member of the American Law Institute.

He is a member of the Illinois Supreme Court Rules Committee, 1972-present, and has served on the Illinois Supreme Court Committee on Jury Instructions in Criminal Cases, 1961-68, and the Committee on Forms for Illinois Circuit Courts, 1960-62.

The Senate Judiciary Committee wisely recognized that Thomas P. Sullivan's qualities of integrity, compassion, and legal skill made him eminently qualified to occupy this high office. And last night, I am pleased to say, the Senate unanimously confirmed the nomination of Mr. Sullivan to be U.S. attorney for the northern district of Illinois.

NEW DIRECTIONS FOR THE SOLAR PROGRAM

Mr. HUMPHREY. Mr. President, I think it will be useful for me to briefly review the benefits we are receiving from our solar R. & D. program as we consider the appropriation for this vital program.

As my colleagues know, I view solar energy as an energy source we will increasingly rely on in future years. Our energy history has been a pattern of new forms gradually replacing old. Wood dominated our energy supply through the 19th century. Then coal rose in prominence, followed over the last half-century by petroleum and natural gas. And now the trend is toward increased reliance on nuclear energy.

The pattern is for one energy form to replace another as it becomes cheaper, more convenient and more available. And, I expect that pattern to continue—to see our present reliance on fossil fuels diminish as they are replaced by nuclear and then solar energy forms.

Our solar R. & D. program is designed, quite simply, to insure that this pattern is not unduly delayed—to insure that our energy supply options remain as broad as possible.

Mr. President, I am delighted to say the solar R. & D. program has grown

sharply since the early seventies. In 1974, only \$14 million was devoted to solar R. & D. That was insufficient. So I authored and introduced the Solar Energy Research, Development and Demonstration Act of 1974—which passed and became Public Law 94-473 in October 1974. Included in its provisions was a sharp acceleration in solar research outlays, the establishment of the Solar Energy Research Institute—SERI—and the beginning of a new era of Federal commitment to solar energy development.

SERI was envisioned as a mechanism to broaden the base of solar R. & D. and make it a truly national program. The recent selection of a headquarters and four regional centers of solar R. & D. activities effectively carries out that vision. Since then, I have authored a number of other bills dealing with solar energy, in particular, the Solar Energy Act of 1976, which doubled the solar budget to \$300 million for fiscal year 1977. The fiscal year 1978 appropriation before us today, will be about 20-percent higher—in excess of \$360 million. The benefits of this program are starting now to appear. For example, solar hot water systems are cost competitive today with electric systems. And some solar electric technologies, photovoltaic systems for example, are experiencing sharp cost reductions—reductions which should bring them into widespread use within a decade.

The solar program, however, faces one very real challenge; a challenge that neither the FEA nor ERDA have yet faced. If solar R. & D. is to pay off rapidly, a very aggressive program to commercialize it must be undertaken. Thus far, a halting, limited 10-State demonstration program of solar hot water technology is the major national commercialization effort initiated for solar energy.

That is inadequate.

Two specific steps are appropriate.

First, the new Department of Energy must devote a significant portion of its solar budget to demonstration and commercialization activities. Second, AID and the new DOE must focus resources on the spread of solar technology to less developed countries. LDC's pay extremely high prices now for energy, especially in remote, rural areas. Solar electric systems, for an example, are ideally suited for such remote location applications—and are close to cost competitive, as well. We are missing an excellent opportunity to stimulate solar technology and the well-being of LDC's by not aggressively seeking to transfer solar technology to such countries.

Recently, I proposed establishment of an International Energy Institute to focus U.S. and international efforts on the transfer of solar technology to LDC's. This proposed Institute would have been ideally suited to carry out technology transfer activities. While the Senate approved it, conferees from the House Committee on International Relations insisted that the concept be studied further. A study from the Agency for International Development will be presented, as a consequence, to

the Congress next winter. Senator GLENN and others have proposed establishment of a multinational World Energy Institute. It is an excellent idea—particularly if we can insure that the Institute will be an action agency rather than one to conduct studies and just prepare reports.

Mr. President, I am very pleased with the progress we have made with solar energy. I know there is much more that needs to be done. But, we have made substantial progress toward realizing for our people the tremendous benefits that I am convinced will come as we learn how to tap the greatest source of clean and abundant energy in the universe—the Sun.

CONCERNING A SPEECH BY W. LEWIS SPEARMAN

Mr. THURMOND. Mr. President, I recently had a letter from a friend and constituent of mine, Mr. W. Lewis Spearman, of Surfside Beach, S.C. He was kind enough to send me a copy of a speech that he frequently makes to State conventions of the well-known fraternal organization, Woodmen of the World, of which he is a director.

The subject of the speech is one that is dear to my heart—freedom. Mr. Spearman advances the thesis that of all the blessings we enjoy as Americans, freedom is not only the most precious but the most difficult to maintain. I could not agree more with this sentiment, and I think my colleagues would gain by having access to Mr. Spearman's forceful arguments and illuminating examples. Accordingly, I ask unanimous consent that Mr. Spearman's speech be printed in the RECORD.

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

WORKING TOGETHER IN 1977

President Newberry has given us a challenge of working together in '77, and it is our hope that we will continue on and on working together for a better tomorrow, not only for our beloved society, but, isn't this what we need for our country and the world?

We have celebrated our Nation's 200th birthday . . . proudly and with thankful hearts . . . grateful to Almighty God for the blessings that America has had. We have been blessed more than any other Nation in the world . . . With more food and clothing, better houses, cars, telephones, televisions, bathtubs, luxury items etc. . . . You name it, we have it in America. But our greatest blessing by far has been and is our freedom. I hope and pray that our bicentennial year has given us, the American people, a renewed sense of patriotism and pride, and that it has indeed marked the turning point in many trends which have developed in recent years. We will be celebrating our society's 87th anniversary June 8th.

In setting the example in working together in Woodmen of the World, it is my prayer that it will spread over America for a better tomorrow.

May I direct your attention to some aspects in our country that are not fashionable to talk about? But our failure to talk about them will not make them go away or cease to exist. The communists are whooping it up and taking advantage of every opportunity

to degrade our country, and too many times many of our own citizens are helping to do the job for them.

I hope and pray that as we begin our third century, we the American people, will resolve to build on what we have learned from our past mistakes, and prove to the world that our democracy does work.

It is just as important for us to fight for freedom in peace time as it is in war. Genuinely human freedom is inner freedom, given to us by God: Freedom to decide upon our own acts as well as moral responsibility for our own acts. This was known by our Founding Fathers as honor.

There are many so-called freedoms that are morally faulty, not the type of freedom that elevates humankind—but a dangerous freedom which may actually be its own undoing.

I was greatly impressed by the way these freedoms were expressed by novelist Alexander Solzhenitsyn (soul-see-nit-sin) the Soviet martyr, when he received the American Friendship Award of the Freedoms Foundation. His acceptance speech received little attention, but I think his message should not be ignored. He cited these dangerous freedoms as follows:

(I quote from a translation.)

"1. Freedom to litter with commercial rubbish the mailboxes, the eyes, ears, and brains of people.

"2. Freedom to impose information, taking no account of the right of the individual not to accept it, or the right of the individual to peace of mind.

"3. Freedom to spit in the eye and in the soul of the passer-by with advertising.

"4. Freedom for editors and film producers to start the younger generation off with seductive miscreations.

"5. Freedom for adolescents of 14 to 18 years to immerse themselves in idleness and amusements instead of invigorating tasks and spiritual growth.

"6. Freedom for healthy adults to avoid work and live at the expense of society.

"7. Freedom for strikers to deprive the rest of the citizens of a normal life, work, transportation and food.

"8. Freedom for hasty and irresponsible efforts by the news media to shape public opinion.

"9. Freedom to divulge defense secrets of one's country for personal political ends.

"10. Freedom for the collection of gossip, while the Journalist for reasons of self-interest spares compassion for neither his fellow man nor his native land.

"11. Freedom for the business man in any commercial transaction no matter how many people may be brought to grief, no matter how his homeland might be betrayed.

"12. Freedom for politicians to bring about whatever pleases the voter today, but not what provides for his safety and well-being in the future.

"13. Freedom for terrorists to escape punishment, so that pity for them becomes a death sentence for the rest of society.

"14. Freedom, even not to defend one's own freedom: Let the other fellow risk his neck."

Time will not permit our discussing in detail all 14 of these morally faulty freedoms, but it seems to me that all of these so-called freedoms have been at work in our country, and we are seeing how they undermine and destroy true freedom.

Do you realize that even 10 years ago, vulgar and foul language was rare on public platforms and in plays and movies? And was censored and cut out of radio and television? Obscene literature was not publicly available on the news stands and in the book stores. Ten years ago, coeducational dormitories at colleges and universities were unthinkable. Today they are commonplace, and on many campuses the use of illegal drugs scarcely causes a raised eyebrow, whereas, 10 years

ago only a few people used marijuana. 15-20 years ago most people were not afraid to be out of the city streets late at night, but since 1960 crime has risen 256 percent. Last year the FBI reported 3,252,000 burglaries, 465,000 robberies, and 1 rape every 9 minutes.

This swelling tide of crime is matched by many politicians promising what they can not deliver, yet they try to deceive our people into believing that projects can always be paid for out of somebody else's pocket. Officially, the Federal Government is permitted to owe only 400 billion dollars, but Congress regularly passes temporary increases to this limit. The latest raise pushed the ceiling to 700 billion dollars April 1, 1977, and by 1982 it is projected to be 1 trillion dollars, with 65 billion dollars being paid in interest. This does not include the dilemma of 2 to 4 trillion dollars deficit we find ourselves concerned with in social security benefits.

Furthermore, when we consider the fact that only one person out of five in this world lives in freedom, and that 80.2 percent of the world population live under tyranny or dictatorship governments, I can not help but join with Rear Admiral Denton, when he quoted William Penn in saying "that man must choose to be governed by God and his Commandments, or condemn themselves to be governed by tyrants." Rear Admiral Denton spoke to the National Fraternal Congress of America in Hollywood, Florida, in September of last year, and it was my privilege to hear him. I am sure most of you read his speech in the Woodmen Magazine or the Fraternal Monitor. He said that in coming back to America after being a prisoner of war in North Vietnam for 7½ years, the most shocking thing to him was the so-called "new morality", and the prosperity that had resulted in selfishness and a type of freedom that is opposite to the freedom that has made America the greatest nation in the world and threatens the security of the United States and the rest of the free world. He pointed at television and the news media as being greatly responsible for many of our problems.

First let us note that there are some excellent and uplifting programs on television. Television has already made a tremendous contribution to civilization—it is here to stay—and because it has great potential for good, we must work with this great force. I believe that to a great degree the media determine what we all learn and believe today. So why should we be bombarded with a biased, super concentration of criticism against our form of government, while the horror and danger of communism are left untold? And why should television be allowed to invade our homes with unwanted profanity, violence and obscenity? You know that we have already been advised that television will have nudity and sex on its screen during prime time. Now I know that we need to supervise selection of what our children watch, but it is impossible to police every minute of viewing time for our children and youth.

One television producer and director has even called television "bubble gum for the mind". See attached.

Hunger for the dollar breeds sensationalism, and sensationalism results in subversion and immorality. On the CBS newscast March 1, 1977, there was a report that 80 percent of all children from 4 to 6 years old live in a state of fear that if they go outside someone will harm them, or that somebody will break into their home, and they even fear that when their parents have an argument they will be hurt or affected. When it was analyzed the reason of all this fear was that children who watch television 4 hours a day received these ideas from what they see on television.

So, what can we do about it? I pass on to you the solution offered by Rear Admiral

Denton, and challenge you to join with me and other fraternalists in making our voices heard on this issue. Now, no program will remain on the air if it does not mean dollars for the television industry and the sponsors of the program. Therefore, to remove destructive and offensive programs—whether it be newscasts, advertising, or entertainment that is violent or obscene—if we will unite, boycott the company that sponsors the program, write the company and tell them that we refuse to buy their products as long as they sponsor such detrimental programs we can do away with the filth and garbage that invade our homes by way of television.

Another area in which we need to involve ourselves is in making our democratic form of government work. I sincerely believe that we should try to watch the voting records of our Congressmen and Senators and let all of our elected officials know how we stand on many issues—especially those that threaten our freedom—such as the right to work law, excessive government spending, labor unions, etc.

Consider excessive government spending. I personally feel that enormous amounts of money that go into welfare and unemployment checks could be saved if we followed this simple but sensible plan: When healthy, able-bodied people apply for welfare or unemployment, offer them a way to earn that check. Let them clean or paint our public buildings, help beautify our parks and playgrounds, set out shrubbery and flowers, work in our hospitals, child care centers and homes for the aged and helpless, clean up our highways—there are numerous ways they could be made to feel needed and useful, and this would give them a sense of accomplishment for the money they receive. Abraham Lincoln once expressed it like this: "You cannot help a man permanently by doing for him what he can do for himself."

And as for the issue of labor unions, can there be any justification for repealing the right to work law? Surely the right to work is essential to protect the working man's freedom to work. I am afraid the labor union leaders are power hungry, and hurt rather than help the cause of freedom. For example: The American Federation of Government Employees, an affiliate of the AFL-CIO, has on its agenda a proposal to unionize soldiers, sailors, Marines and airmen—our combined first line of defense. Now this possibly may sound good in peace time, but how about war? Is the head of a union shop going to decide whether America's armed forces will fight in the future, if our country should be threatened by Russia or some other aggressor? It actually boils down to this: Will the Government or a union determine and enforce the foreign policy of the United States? Can you imagine the awesome power this would give to the labor union leaders?

My friends, I am concerned and outraged by the silence and apathy of so many of our good people. Those who do not stand up and speak out forthrightly for their convictions are supporting the opposite view. And silence turns out to be a vote for the wrong. That is why I am calling upon you for action and asking you to get others to join with us and by working together prove ourselves worthy of our proud heritage.

Therefore, I repeat for you these things we can do.

1. Band and work together and make our voices heard that we want decent entertainment and information, not violence, profanity and obscenity on television, then back it up by boycotting the sponsors of offensive programs.

2. Take a stand and voice our convictions concerning Government to our elected public officials. Let them know that we want to preserve our freedom by honest and decent Government, and that we want a democracy, not a bureaucracy. Thomas Jefferson said "as Government grows, freedom recedes".

I challenge you to join with me and other fraternalists in doing what we can to preserve for our 3rd century, freedom and the many, many blessings that have been ours in the 1st and 2nd centuries of our country. I am concerned because I am afraid that our American people just do not realize the freedom we have in America. We could not have the woodmen of the world in a dictatorship country. We would not have the freedom to even attend the church of our choice, even though now only 40 percent of our people claim to attend church or temple regularly or weekly.

Eldridge Cleaver, the black panther, after leaving this country to avoid prison, and after living in North Vietnam, Russia, and other Communist countries, returned to the United States and said he would rather be in prison here than to live in the so-called freedom of communism. He along with Solzhenitsyn (Soul-see-nit-sin), also the Soviet pilot who flew his light single-engine mail plane into Iran, and the other Soviet pilot that flew his supersonic Mig 25 jet to Japan seeking United States asylum, are all desperately trying to tell the American people something. People living under tyranny live in such a state of fear that they dare not fail to do exactly what they are told to do because they know the terrible consequences of objecting. Just like the mothers and wives of these pilots tearfully expressing their doubts that their son or husband willingly defected. The party has told them what to do, and they know the cost if they fail to do it. What these pilots have done will probably cost them the lives of their families. Think of the price they are paying for the freedom we enjoy every day and take for granted.

We must awaken our American people to action if we are going to maintain our priceless freedom. I believe in the great spirit of our American people. I believe in the intense insistent honesty of the majority of our young people. If we will determine now in truth and honor, and give some guidance and direction to our youth who are eagerly searching for it, then I sincerely believe that our America will reconfirm her original choice of "one nation under God", and our third century will be "one Nation under God," and not a century of chaos and tyranny, if, as President Newberry has recommended, we work together in '77 and thereafter for a better tomorrow and I know of no better place to start than to have our friends and neighbors join us in working together in our woodmen of the world.

THE FRESNO BEE ON FANNIE MAE

Mr. CRANSTON. Mr. President, I have been substantially concerned with redirecting the work of Fannie Mae toward its original purpose of helping meet our Nation's housing needs. I was delighted therefore to read a recent editorial in the Fresno Bee in support of S. 1397, which Senator PROXMIER and I have proposed to add more public members to the Fannie Mae Board. I would like to share the article with my colleagues.

Mr. President, I ask unanimous consent that the Fresno Bee editorial of June 21, 1977, be printed in the RECORD.

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

"FANNIE MAE" AND THE CITIES

The Federal National Mortgage Association, which usually is identified as "Fannie Mae," has strayed from one of its main original purposes.

This was to make home mortgage loans more available to low and middle income

families, with the understanding this would include those in the inner cities as well as in the suburbs. In fact, however, the preponderance of its assistance in the mortgage markets has helped the spread of the suburbs to the neglect of inner city home buyers.

Sens. Alan Cranston of California and William Proxmire of Wisconsin are to be commended for their effort to reverse the trend. They have teamed up on a bill to shake up Fannie Mae's leadership in order to revise its priorities on inner city mortgage policy. They would give President Carter the power to name four more members to Fannie Mae's board of directors and subject the board's actions to the federal Freedom of Information Act.

The added members would be expected to help topple Fannie Mae's Nixon-appointed chairman, former Fresno congressman A. Oakley Hunter, from his \$140,000 a year job, and to set loan policies more favorable to inner cities. Scrutiny of the board's actions as a result of the freedom of information requirement would shed more light on how those policies have been and are determined.

Part of the problem has arisen as a result of the change in Fannie Mae's status in 1968 from a federally-sponsored corporation to a stockholder-investor company able to obtain loans from the federal treasury.

One result, critics say, has been to direct mortgage funds to the more profitable suburban expansion instead of the marginally profitable inner cities. Proxmire argues that if the cities are to be restored Fannie Mae must provide incentive for the private mortgage market to reverse the trend.

He is right. It is up to Congress to act favorably on the Cranston-Proxmire legislation and make Fannie Mae's leadership more responsive to the public interest.

NYERERE ARTICLE

Mr. CLARK. Mr. President, I would like to insert in the RECORD an article by President Julius Nyerere of Tanzania which appeared in the July issue of Foreign Affairs. This article represents one of the most eloquent statements that I have seen expressing how Africans view U.S. foreign policy toward the continent.

It puts into excellent perspective how our past policies have appeared to Africans. But perhaps even more importantly, it shows what current African expectations are of the United States under the Carter administration.

President Nyerere stresses the fact that, because of our power relative to other nations, we not only have an unavoidable impact on events in the region, but also have a legitimate interest in the future as well as the present societies of southern Africa. He therefore appeals to the United States as the most powerful democracy in the world to "recognize the conflict in southern Africa as the nationalist struggle which it is."

Mr. President, I met President Nyerere personally on my last trip to Africa and I can affirm that he is one of the most impressive leaders on the continent—a man of integrity and principle whose stature is universally recognized. He is also one of the most influential Presidents of the frontline states which border Rhodesia and Namibia. His role is central to a just and lasting solution to the racial conflicts in the area.

This article is timely, authoritative, and insightful, a cogent analysis of the difficulties we face in establishing our credibility in Africa, and of the chal-

lenges we confront in an area of the world which may well become the most explosive foreign policy region during the term of the Carter administration.

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:

AMERICA AND SOUTHERN AFRICA

(By Julius K. Nyerere)

The dominant element in American foreign policy since 1946 has been opposition to communism and to the communist powers. As far as Africa was concerned, responsibility for pursuing these objectives was delegated to America's trusted allies—Britain, France, Belgium, and even Portugal—whose policies in the area were therefore broadly supported despite minor disagreements which arose as American business became interested in Africa's potential. Inevitably this placed America in opposition to an Africa which was trying to win its independence from those same powers; but when political freedom could be achieved peacefully, America was able to appear to Africa like a bystander. It was therefore able to adjust its policies and accept the new status quo of African sovereign states without any difficulty. Notwithstanding these adjustments, however, America has continued to look at African affairs largely through anti-communist spectacles and to disregard Africa's different concerns and priorities.

And in southern Africa events did not force any readjustments of American policies during the 1960s; so none were made. Practical support for the status quo continued unabated until after the Portuguese Revolution in April 1974. Thus, despite America's verbal criticism of Portuguese colonialism, American arms and equipment were used by Portugal in its military operations in Angola, Guinea-Bissau and Mozambique. Despite the verbal opposition to apartheid, American trade and investment in South Africa were expanded, and America opposed any effective U.N. demonstration of hostility toward the apartheid state. The United States has also fought a hard, and largely successful, rearguard action against the demands for international intervention against South Africa's occupation of Namibia. And on Rhodesia, America has trailed behind British policies, emasculated the sanctions policies it had endorsed at the United Nations, and criticized Africa for the vehemence of its opposition to the minority Smith regime.

This general approach to African questions, and particularly to southern Africa, culminated in the American government's support for the FNLA/UNITA forces in the dispute between the Angolan nationalist movements.

Throughout the anticolonial war in Angola, that is from 1960 to 1974, America had supported Portugal, not any of the nationalist forces. Supplies to the FNLA of money and military and other equipment while decolonization was taking place were thus a rather blatant attempt to place "friends" in political power in the new state. Not surprisingly, it was the least effective of the contending nationalist groups which was open to this kind of purchase; success therefore depended upon the quick collapse of the MPLA, under assault. But the MPLA did not collapse. Instead it asked for and received more arms from those who had been helping it for the ten years of its anticolonial war; to meet the simultaneous South African invasion of Angola, the MPLA also welcomed Cuban troops. And when the FNLA demanded more help than the American Administration alone could give it, the U.S. Congress—with the lessons of Vietnam still fresh in its mind—refused finance.

It is not cynicism which attributes the beginnings of the "Kissinger initiative" in April 1976 partly to this experience. Nations, like people, sometimes need to be shaken out of habitual modes of thought. Nor was the Angolan debacle the only factor leading toward a reassessment of traditional U.S. policies in southern Africa. Some Americans had for long been urging support for the anti-racialist and anticolonial struggle, and American blacks were beginning to take a greater interest in these matters. Further, trade with independent Africa has been growing, and now includes oil from Nigeria. The possibility that this trade might be jeopardized by pro-South African actions is no longer of merely academic interest to the United States. And the guerrilla war in Rhodesia has been intensified since mid-1975, arousing fears of a repetition of the Angolan experience.

Africa welcomed the Lusaka statement by Dr. Kissinger that majority rule must precede independence in Rhodesia, and that America would give no material or diplomatic support to the Smith regime in its conflict with the African states or the African liberation movements. With some hesitation, Africa also cooperated with the Kissinger "shuttle diplomacy" later in the year. For Africa hoped that, even at that late stage, the use of American power in support of majority rule could enable this to be attained in Rhodesia without further bloodshed.

The "Kissinger initiative" did force Ian Smith to shift his ground, but it did not succeed in its declared objective. Neither did it remove Africa's uncertainty about the depth and geographical limitations of America's new commitment to change in southern Africa. For decades of history cannot be wiped out by one speech and a few months of highly individualistic one-man diplomacy. They cannot even be eradicated by the clear sincerity of a new President's commitment to supporting human rights, and the sympathetic understanding shown by the Ambassador he has appointed to the United Nations.

II

The United States of America is the most powerful nation on earth. Africa is weak, economically and militarily; its unity in action is still fragile. Africa does therefore naturally desire the friendship and cooperation of the United States; it does need trade, and economic assistance.

But overwhelming everything else in Africa is the sense of nationalism, and the determination of all African peoples that the whole of this continent shall be free and relieved from the humiliation of organized white racialism. Within Rhodesia, Namibia, and South Africa, and within the nations immediately bordering them, the commitment to the struggle against minority or colonial rule overrides all other matters.

This basis fact is important to America, as it is to the rest of the world. For power is not all-powerful. Nationalism cannot be overcome by it. Nationalist wars have no end except victory, however long that takes to achieve, whatever the cost and the inevitable setbacks. All that can be affected by the actions of its opponents is the character of the nationalist state and society after victory. The harder and longer that struggle for freedom, the more austere and radicalized the new state is likely to be. It may also be more intolerant. For wars are liable to destroy everything except hatred and mutual suspicion—which they nurture.

The United States, like other nations of the world, has a legitimate interest in the future as well as the present societies of southern Africa. It must be concerned about America's continued ability to buy the goods it needs, and its ability to sell sufficient goods to pay for its imports. America must be interested in whether or not these states will determine their own foreign policies

according to their own interests after winning their freedom, or whether they will be dominated in these matters by states hostile to the United States. And America, like the rest of the world, will continue to have a legitimate interest in the status of human rights in southern Africa as well as elsewhere. None of these things will it be able to control in a state which is really independent—that is the meaning of independence. But one would expect that current American policies toward the nationalist struggles in southern Africa would be determined with these long-term interests in mind. And it does not seem to Africa that these factors have determined American policies in the past. At least they have not done so on any intelligent assessment of the paramountcy of nationalism in shaping the future.

III

One thing is quite certain. The status of human rights could not be worse in the independent states of southern Africa than it is now. The very idea of there being "human rights" presupposes the basic acceptance of human equality. Yet colonialism is in principle a denial of equality. It means that the interests of the colonized are subordinate to the interests of the colonizers, or at the very least are interpreted and judged by the colonizers. Support for human rights therefore involves opposition to colonialism, regardless of how gentle, well-intentioned, or selfless the colonial government may be. Greater urgency in ending this status is imparted to the situation when, as in Namibia and Rhodesia, colonialism has none of these virtues. Two hundred years after Americans fought their own kith and kin to end colonialism it should not be necessary for Africa to try to convince America that Africans find colonialism intolerable.

Human rights are also inconsistent with the practice of racialism. They are denied by any law or practice which distinguishes the rights and duties of men and women according to their racial origin. And in South Africa there is hardly a law which does not make this distinction; the entire state machinery is directed at organizing and upholding the domination of one racial group over all others. This would be inconsistent with human rights if the majority racial group were using racial discrimination as a means of controlling a dissident minority. It is not made more consistent when 83 percent of the South African population is denied elementary political, economic, and social justice by legislation and economic power used by and in the interests of the whites.

Every aspect of the South African state organization is thus inconsistent with the American philosophy of human equality and freedom. But this is not simply an internal South African matter. Without the kind of practical support which the South African government and society have been receiving—and are still receiving—from their relations with America and its allies, the present apartheid structure could not be sustained for very long. And therefore minority rule in Rhodesia and Namibia could not continue.

Thus, for example, South Africa has a continuing and large deficit in its foreign trade, which is financed by a capital imports, both long and short term. American investment in South Africa has more than tripled since 1966 and now stands at more than \$1,600 million. All these investors profit from apartheid and the discriminatory wage structure—and thus have an interest in sustaining it.

Further, until now America has continued to act in the United Nations and elsewhere as if South Africa were a bastion against Soviet infiltration into southern Africa, and against the spread of communism in Africa. This image is carefully fostered by the apartheid regime, which prides itself on its anti-communism, and had defined a communist

as "anyone who supports any of the aims of communism"—including the declared aim of human equality!

Yet by identifying itself in practice with the apartheid regime and its satellites, America is liable to bring about the very things it most fears—the growth of communist influence, the radicalization of the opposition to apartheid and colonialism, and the damage to its own economic interests. For opposition to the regimes in southern Africa is inevitable. Men will not indefinitely accept humiliation, exploitation, and tyranny. Sooner or later, by one means or another, the dominant minority will lose its ability to control the country and run the economy in its own interests. It is natural that Africa should seek American help in ending its humiliation. Americans should not find it natural when their country aids the oppressor instead of the oppressed.

The organizational and material weakness of the nationalist forces in southern Africa which results from decades of ruthless oppression, does, however, have two consequences of international relevance. First, nationalists cannot be particular about the means through which they carry on the struggle; they have to take advantage of any opportunities which they can find. Secondly, they have to accept help from wherever they can get it. The stronger apartheid and minority rule become, and the more supporters those forces enlist, the greater becomes the nationalists' need for outside help.

When seeking external support for their struggles, it is natural that African nationalists should look first to the African countries which have already secured their own freedom. And it is equally natural that free African states should give that support. No independent African state can rest secure while colonialism continues in Africa, for colonialism is a denial of its own right to exist. Further, the human dignity of all Africans is denied when Africans anywhere are humiliated because of their race. On the principle of giving assistance to the freedom movements in southern Africa, therefore, the whole of free Africa is united. But in comparison with South Africa, free Africa is weak. All African states are poor, some are almost overwhelmed by the task of trying to make independence economically meaningful and beneficial to their people. Further, no African state has an armaments industry of its own. The Nationalist movements of southern Africa therefore need more help than Africa alone can give them.

Outside Africa, however, experience has shown that communist countries are almost the only ones which are both able and willing to assist the Nationalist movements of southern Africa. The major countries of the Western bloc urge patience and nonviolence as if these had not been tried for the past 30 years; simultaneously they continue to bolster South Africa's economic and military strength by trade, investment, and political cooperation. Some of the Nordic countries give humanitarian assistance to the freedom fighters. Only the communist countries are willing to make arms and other military help available when an armed struggle becomes the only way forward.

Why the communist states are willing to assist the Freedom Movements is for them to say. Africa knows why it needs that assistance, and what it will be used for if it can be obtained. Anything else is, at this stage, irrelevant to us. If the West decides to give us similar aid, I for one would not question its motives. Africa is concerned with existing oppression, not with hypothetical dangers in the future. Any new threats to freedom will be dealt with after it has been won—not before! In the war against Nazism the United States and the Soviet Union were allies.

But the peoples of southern Africa are not asking others to fight their liberation bat-

ties for them. They know that a people can only free themselves; they cannot import freedom. The peoples of these countries are asking only for appropriate support for the freedom struggle they are themselves conducting. Whether that support needs to be political, economic, or military—or all three—depends upon the type of struggle which has to be waged before victory is achieved. It is in this respect that the differences in the political and economic situations of Rhodesia, Namibia, and South Africa become relevant to current policies for other nations of the world.

Yet although the three countries do present different problems, and opportunities, it is pointless to try to treat each one in isolation. The objective is freedom for the whole of southern Africa. This means independence on the basis of majority rule in Rhodesia; independence on the basis of majority rule for Namibia as a single political unit; and an end to apartheid and minority rule in South Africa itself. So it is one struggle, with three geographical areas.

Therefore, South Africa cannot be regarded as an ally in the fight for majority rule in Rhodesia, any more than Rhodesia could be expected to support the anti-colonial movement in Namibia. Rhodesia and South Africa are natural allies to each other. The most which could be achieved is for South Africa to recognize the differences between its own position and that of the Smith regime, and therefore to buy time for itself by refraining from direct assistance to minority rule in the British colony.

V

In Rhodesia, or Zimbabwe—to use its African name—we now have to face the fact that this is 1977, not 1956. A liberation war has started. Government "reforms," or reductions in the intensity of racial discrimination, which would have given hope of change fifteen or even ten years ago and thus prevented war, are now irrelevant. Options which existed at the time of Rhodesia's unilateral declaration of independence (UDI) no longer exist.

This should not be strange to Americans who know their own history. Very few inhabitants of the American colonies were calling for independence when the dispute with the British government arose in the 1760s. According to John Adams, one-third of the colonists remained opposed to the rebellion even during the War of Independence. Yet concessions made by the British government in 1770 were already too late to avert conflict. And once the war had begun it could have only one end. So it is in Rhodesia now. Ian Smith's unilateral "package of reforms" announced in March of this year will now not even buy him time.

The only question which remains open is whether independence on the basis of majority rule will be achieved by a fight to the finish, or whether that same end can be achieved by a minimum of bloodshed leading to negotiations.

Therefore negotiation cannot now be about the principle of majority rule before independence. Nor can it be about the establishment of an "interim government" under white control. The nationalists are insisting that the 270,000 whites cannot be allowed to continue governing 5,800,000 Africans, whatever promises the former make about organizing an "orderly transfer of power," or anything else. For the argument now is about power, not about promises; the fighting which has started will not end until a transfer of power from the minority to the majority has actually taken place. A ceasefire without such a transfer of power was tried in December 1974; it led to a strengthening of the minority regime.

What was possible until the collapse of the Geneva Conference in December 1976 was a delay in independence. For in accordance

with the British tradition of decolonization, the nationalists had separated independence from internal self-government under majority rule. The latter they were demanding immediately, with some minority representation in an interim nationalist government. But they had agreed on a delay of 12 months before independence, in the hope that effective British sovereignty during that period would allow members of the minority community either to adapt to majority rule, or to leave the country. For in this connection it is relevant to remember that more than one-third of the 270,000 whites at present in Rhodesia have immigrated during the past 11 years—they can hardly be regarded as committed to the country.

These demands were rejected by Smith, as were the British government proposals. The British government then abandoned the Conference, showing that despite their legal responsibility for decolonization in Rhodesia, they regarded themselves merely as umpires between Smith and the nationalists, not as participants in a struggle against the Smith regime.

That opportunity for a negotiated settlement has therefore been lost. The attempt of the new British Foreign Secretary to organize talks on another basis has thus to overcome still more suspicion. And even if agreement between the British and the Nationalists is reached at new talks, the removal of Smith, and the dismantling of his power structure, still have to be achieved before any political agreement can be converted into the reality of majority rule.

The world in general, and Africa in particular, does, however, still have an interest in bringing the Rhodesian war to a rapid end. Ian Smith and his supporters have no such interest. On the contrary, their objective is the continuation of the war until South Africa, and possibly even the United States, come to their support.

Ian Smith recognizes that, on a long-headed assessment of South Africa's own interest, Prime Minister Vorster does not want to get directly involved in the Rhodesian conflict. But in any guerrilla war, civilian casualties are likely to occur; they are already happening in Zimbabwe. If the dead women and children begin to include large numbers of whites, then Smith knows, because Vorster has admitted it, that the Pretoria government will be under pressure from its own electorate to increase South African material support for the Smith regime. And as the casualties begin to include South African citizens who live in or visit Rhodesia, Smith believes that his armed forces will be strengthened by direct South African military intervention.

Direct South African military involvement would make a great change in the balance of forces in Rhodesia. It would not defeat nationalism. But it would greatly increase the difficulties of the Freedom Fighters. The nationalists would therefore be forced to seek increased external help; and it is only communist states which are likely to give whatever assistance is required. Even if an intelligent American government is then able to withstand the consequent pressure to intervene "against communism" and to maintain its opposition to Smith, the conflict would have been internationalized. Smith desires this. Africa does not. Whether the internationalization of a limited war of independence is in America's interests is for America to judge.

But America is not a helpless bystander to events in Rhodesia. It is a powerful nation, and influences developments there. It can frustrate Smith's attempts to escalate the war, and can even help to get the war ended.

First, it has to make it quite clear that the United States will give no support of any kind to the minority regime of Rhodesia, at any time, and regardless of the progress or possible escalation of the war.

Second, as evidence of this determination, it has to follow up the rescission of the Byrd Amendment by active steps against all sanctions-breaking (whether by American firms or others), and by greater efforts to prevent the Rhodesian recruitment of American citizens into the regime's army.

And third, the United States has to put pressure on the South African government to desist from further help to the Smith regime. It is not realistic to expect Vorster to act against Rhodesian minority rule; but he can be prevented from propping it up—at least more than he is already doing. The United States has sufficient leverage to do this without treating South Africa as if it is an ally in the struggle for justice in southern Africa.

No one is suggesting that there are quick, or painless, solutions to the problems in Rhodesia. In the 11 years which have passed since UDI, many opportunities have been lost, and new forces have arisen which now have to be taken into account. Thus, it is true that the Zimbabwe nationalists do not control all the forces which will influence Rhodesian events in the near and far future. But no settlement of this problem can now be reached without their participation in drawing it up, and their active support in its implementation. In 1977 it is in that context, and only in that context, that American or Britain—or Tanzania—can work for an end to war in Rhodesia.

VI

Namibia is politically different from Rhodesia in two major respects. First, if Prime Minister Vorster really accepted the principle of majority rule outside South Africa, as he has sometimes claimed, it is within his power to introduce it in Namibia. And if he really wants Namibia "off his back," as he once asserted, he has the power to make the necessary arrangements. Namibia is not a "client state" like Rhodesia; it is completely under the de facto control of the South African government and armed forces.

Secondly, Namibia is de jure a Trusteeship Territory. The United Nations has, by General Assembly and Security Council decision, withdrawn the authority of South Africa over Namibia. It has established the U.N. Council for Namibia, and appointed a full-time Commissioner, whose task is to arrange for an orderly transition to Namibian independence on the basis of political unity and majority rule, and periodically to report progress to the United Nations. Also the General Assembly has recognized the South West African People's Organization (SWAPO) as the sole representative nationalist movement of Namibia.

Apart from these two respects, however, the situations in Rhodesia and Namibia are becoming increasingly similar. A united nationalist party now exists, and cannot be ignored. An armed struggle has started in Namibia, although it is not as yet very intense.

South Africa is still trying to evade the necessity of negotiating the form of Namibian independence with SWAPO under the auspices of the United Nations. In response to a threat of action by the United Nations if its resolutions were not observed, South Africa organized the "Turnhalle Constitutional Conference" in 1975. Representation was by "ethnic group" (i.e., South African-designated racial and tribal groups), and political parties were barred. The outcome of "Turnhalle," not surprisingly, is a set of proposals which basically maintain the structure of "tribal homelands" and "White areas," and would leave intact the existing racialist domination by the 99,000 whites among the 850,000 population. The South African government is proposing to present the result to the United Nations as an act of "decolonization."

Proposals such as these will not solve the problem in South West Africa. Nationalism

in Namibia cannot be overcome by establishing another independent apartheid state. The choice for the world, and for South Africa, remains unaffected by such maneuvers. The choice is: either a transfer of de facto power by South Africa to the United Nations, which can then negotiate an independence constitution with SWAPO; or negotiations between South Africa and SWAPO under U.N. auspices; or an intensified war, with all the dangers to world peace which that will bring.

Once again, America cannot control these events. But it could use its considerable influence to avert the dangers of a serious war of liberation in Namibia. In order to do this, America would first have to accept that SWAPO is the only Namibian nationalist organization, and that no settlement is possible without its agreement. Then it would apply some pressure on South Africa to negotiate with SWAPO under U.N. auspices. Alternatively it would give active American support to the struggle at the United Nations for a South African withdrawal from Namibia, and the introduction of an effective transitional U.N. administration.

What America must not do, if it aims to prevent a major war in Namibia, is to give any encouragement to the "Turnhalle" Conference, its participants, or South Africa's espousal of its proposals. For time is running out. If the Namibian war has to be intensified—as it will be if there is no progress—the time available for an orderly transition from minority to majority rule will again be exhausted before the work has begun.

VII

South Africa is an independent state. It is not a colony of anyone, and within the boundaries of the Republic there are no colonies to be granted independence. But its organized denial of human rights to all but 17 percent of its people, on the grounds of their race, make South Africa's "internal affairs" a matter of world concern. For nations have learned, and mankind has learned, that the hope for world peace and justice precludes indifference in the face of organized racialism.

The official reply to all demands that the world should put South Africa into quarantine has been that apartheid is best countered by diplomatic and other contact with more open societies. Unfortunately, however, the South African whites are correct in saying that their society is unique. Nowhere else has the privileged life-style of the dominant minority ever rested so completely and exclusively on racial oppression. Other experiences of gradual desegregation, in the southern states of the United States or elsewhere, will therefore do no more to persuade the whites of South Africa to change their policies than has the polite criticism of Western statesmen since the last world war.

Policies are also based upon the argument that, provided foreign investors pay a living wage to their employees, they will be increasing the pressures against apartheid because economic growth shows up the inefficiency of things like racial job reservation and migrant skilled labor. Quite apart from the fact that these are only a small aspect of apartheid, the evidence of the past 30 years—and longer—should by now have dispelled that illusion also. South Africa has been getting economically stronger and more developed at a rapid rate. Racial oppression has been increasing even faster. For the stronger the economy, the more can be spent upon suppressing the majority without any economic sacrifice being demanded of those who benefit by white supremacy. A strong South African economy strengthens the government, not the victims of its oppression.

The South African economy needs to be weakened, not strengthened, if apartheid is to be overthrown. South Africa therefore needs to be isolated economically, politically, and socially, by the rest of the world until

there has been a change in political direction. The sooner that change begins, the less violence and chaos there is likely to be.

No one can doubt the desire of the people of South Africa to end apartheid. Organized opposition by the non-whites has been smashed, but the Soweto and Cape Town "riots" are only the latest of a long series of spontaneous uprising. And they will not be the last outburst of frustration. For despite everything which the South African state can and will do, instability is inherent in a situation where the majority of the people are excluded from the benefits of a society which depends upon their work. Change can be delayed by an intensification of oppression and human suffering. But apartheid is doomed. The only question is whether the society subsides into chaos, or whether there is an orderly but speedy movement toward justice.

At present there may still just be time for the Republic to avoid ultimate economic and social collapse if the whites can be woken up to their own danger. They would have to begin by setting free, and then entering into a dialogue with, the real leaders of the non-white peoples who are now being held in jails, detention centers, and Restriction—people like Nelson Mandela, Robert Sobukwe and their colleagues. For it is only such people who would have a chance of organizing and channeling the irresistible opposition of the black peoples to their present humiliation.

So far there has been no evidence that the South African white government intends to guide the country in this direction—on the contrary. The whites remain self-confident in their strength and their racial arrogance; and they do this partly because the world continues to talk with them and support them in action. They have not been shocked into a reassessment of their position. They have not yet realized their need to talk with non-white South Africans about their common future. Instead they are able to talk with the rest of the world, and solve their economic problems by new foreign investment, new trade, and new immigration.

VIII

Each nation has to decide for itself what will be in its own interests, and these will determine its policies. But no one is asking that America should fight for the freedom of southern Africa. Africa is simply asking that America should stop supporting racialism and unfreedom in that area.

For the penalty, as well as the opportunity, of America's great power relative to that of any other nation, is that every American action, or failure to act, has an effect upon the timing and the nature of developments outside its own borders. This is not to say that America can impose its will on an unwilling world; only that it cannot avoid involvement in events elsewhere. When Tanzania trades or fails to trade, or indicates support or opposition for another government, the world goes on unchanged and unruffled. When America does any of these things it is affecting what will happen elsewhere. One may like this or not; it remains a statement of fact.

Thus, America cannot prevent men from struggling against colonialism and racialism in southern Africa. But American actions will either ease the inevitable triumph of the freedom struggle, or strengthen the resistance to it and thus force the anticolonial and anti-racist movements into a hard, ruthless, and hostile mold. There is no way in which powerful America can avoid doing one or the other of these things, as long as it needs to have commercial and state relations with the rest of the world.

Africa is therefore asking that America should recognize the conflict in southern Africa as the nationalist struggle which it is, and that it should refuse to be taken in by

the communist bogey paraded by the racialists. It is asking that America should refrain from profit-making out of apartheid. South Africa needs the United States; but the United States does not need South Africa. Africa is asking that America should carry its declared support for human equality and dignity into policies which will weaken the forces of racialism and colonialism in southern Africa, so that the peoples of those areas can triumph more quickly and with less bloodshed.

With or without American support during the struggle, freedom in southern Africa will not mean the birth of ideal democracies, where all citizens enjoy human rights, civil liberty, and a consumer society to boot. Popular governments in Rhodesia, Namibia, and later in South Africa, will face immense problems of poverty, disruption and unrealizable expectations. They will also inherit a legacy of mutual hostility and bitterness. The racial prejudice which has been inculcated by years of deliberate indoctrination, and by bitter experience, will not disappear when majority rule begins.

But it is only after freedom has been won in the states of southern Africa that the positive struggle to build human equality and dignity can begin there. We in Africa hope that the new Administration of the United States will fulfill its early promise, and help the peoples of southern Africa to get to the position where they can make a beginning. At the very least, we hope that America will not continue to use its power and prestige to hinder the movement for freedom and humanity in the south of this continent.

THE PLIGHT OF AGRICULTURE

Mr. HUMPHREY. Mr. President, 2 days ago the Governors of five Upper Midwest States met in Bismarck, N. Dak., to discuss the deteriorating economic situation facing our farmers.

The current situation is desperate, particularly for our wheat producers.

Unless an economic miracle occurs, the farmers of America will lose a billion dollars this year. The consequences of this loss on the structure of the family farm will be profound.

The Members of this Chamber know of the importance of American agriculture to the U.S. economy. I need hardly remind my distinguished colleagues that agriculture is the basis of our economic strength, not only here at home but abroad as well. Our agricultural exports, even with depressed prices, will be \$24 billion this year alone. This figure could increase significantly in the years ahead.

I applaud the concern of the Governors of North and South Dakota, Montana, Nebraska, and my home State of Minnesota for joining Wednesday to try to reach a common strategy for insuring the economic survival of our farm economy.

At this meeting, the Governors discussed a variety of farm policies, from basic credit programs to price support and loan levels. The emphasis of this discussion was clearly on the need for reasonable price support and loan levels.

The Governors rejected the price support and loan levels as passed by the House Committee on Agriculture. Instead, they urged adoption of the levels passed last month by the Senate.

It is important to point out that the Governors were not satisfied with the

Senate's figures. They found the Senate's levels less than generous. One Governor termed them "minimally acceptable."

I endorse the meeting of these responsible State officials. I hope that the message they have will be shared with the Members of this body and the House of Representatives.

The House will be acting on its version of the farm bill later this month. It is important that the Members of the other Chamber realize the likely economic consequences of failing to enact reasonable levels of income support.

FOREIGN POLICY

Mr. BAKER. Mr. President, I would like to briefly comment on the accomplishments of the Senate Middle East delegation which concluded its work last week with the release of its final report on American foreign policy and nonproliferation in the Middle East.

It was a privilege to serve as cochairman of this distinguished delegation of 12 U.S. Senators with an individual as gracious and able as Senator ABRAHAM RIBICOFF of Connecticut. The notable achievements of the delegation are a tribute to his statesmanship and leadership. I am proud of the delegation's accomplishments and believe its efforts will enhance the prospects for peace in the Middle East and contribute to a cogent assessment of the nonproliferation posture of the United States.

In this latter regard, I was pleased that the delegation found a willingness on the part of Israel, Egypt, and Iran to accept proliferation safeguards as a precondition to nuclear reactor sales, and that the delegation believed it possible for the United States to assist those countries in meeting their energy development needs in a manner consistent with the prevention of the spread of nuclear weaponry. I would further note and concur with the delegation's conclusion that the U.S. active participation in international nuclear commerce enables our country to exert desirable leverage in achieving nonproliferation goals.

I believe the Senate delegation fulfilled its mandate well. I am sincerely grateful to each member of this delegation and supporting staff for serving the U.S. Senate with distinction in this important and constructive endeavor.

SECRETARIES VANCE AND BLUMENTHAL AT OECD

Mr. RIBICOFF. Mr. President, on June 23 and 24 I attended the Ministerial meeting of the Organization for Economic Development and Cooperation, OECD, in Paris as a member of the U.S. delegation. Secretary of State Vance and Secretary of the Treasury Blumenthal led the delegation in discussions of international economic issues. During the 2 days of this OECD meeting I worked closely with Mr. Vance and Mr. Blumenthal in both the official sessions and in the bilateral sessions reviewing U.S. foreign policy with each of the OECD members.

I have the highest respect for both the Secretary of State and the Secretary

of the Treasury and for their competent, professional performance at the OECD Ministerial meeting. Moreover, I was pleased that in contrast with the experience of recent years the State and Treasury Departments are cooperating with each other and working to harmonize our foreign economic policy.

Secretary Vance addressed the OECD Ministers on June 23. He sketched in broad terms the problems faced by industrial countries and focused his remarks on the importance of energy conservation to all industrial nations and on the need for continued cooperation between the developed and the developing nations.

Secretary Vance underscored the need to reconcile our energy concerns with national security and in particular the need to discover ways to develop nuclear energy while minimizing prospects for the spread of nuclear weapons. Regarding North/South relations, he suggested that the OECD study the possibility of reorienting foreign assistance toward basic human needs: nutrition, health care—including preventive medicine and family planning—and education, for the poorest peoples in the world. He also suggested that the organization undertake some work on improvements of the status of women in developing countries and on the possible responses to future ecological disasters, such as the Sahel drought.

Secretary Vance called on the OECD to sponsor a conference on youth unemployment since especially high unemployment rates among the young are common to most industrial countries and seem to call for special solutions. Finally, he also called on the OECD to undertake work on urban concerns in recognition of the problems that face all major cities today: congestion, pollution, waste disposal, law enforcement, and provision for social amenities.

Secretary Blumenthal addressed the meeting on June 24. His statement endorsed a strengthening of procedures for examining and monitoring the economic policies of OECD members, while recognizing that growth targets and stabilization policies must remain the ultimate responsibility of sovereign states. Four specific points stressed by Mr. Blumenthal were these:

First. Encouragement to countries in strong external positions to meet their economic growth targets, to accept reductions in their current account positions and to dismantle controls that tend to depress their exchange rates;

Second. Encouragement to countries in weaker positions to stabilize their economies and improve their international competitiveness;

Third. Endorsement of expansion of IMF resources to support countries' stabilization programs during the transitional period while adjustment and stabilization policies take effect; and

Fourth. Urging rejection of unilateral trade restraints, agreement on renewal of the OECD trade pledge, and effective action in the multinational trade negotiations.

Secretary Blumenthal's statement did not mention an agreement reached by a

number of countries immediately before the Ministerial meeting to provide about \$750 million in financial assistance to Portugal over the next 18 months. This package of aid will contribute to the restoration of the Portuguese economy and will be referred to the Congress in a request for American participation.

Mr. President, I ask unanimous consent that the speeches to the OECD Ministerial meeting by Secretary of State Vance and Secretary of the Treasury Blumenthal and the final OECD communique be printed in the RECORD.

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

STATEMENT OF U.S. SECRETARY OF STATE CYRUS VANCE AT THE MEETING OF THE OECD COUNCIL AT THE MINISTERIAL LEVEL, PARIS, JUNE 23, 1977

As we begin our important deliberations today, it is worth keeping in mind how far we have come over the past thirty years.

Many of our nations three decades ago faced basic questions:

Could democratic forms of government survive?

Could we overcome the ravages and divisions of war and build a system of cooperation to foster prosperity and peace?

Could the industrial nations hope for any kind of constructive relationship with emerging new countries?

Did those new nations have, in turn, any real chance for survival?

If we view our problems today against problems of that time, and the progress we have made in resolving them, we can conclude that the future holds promise for us.

Our hope of thirty years ago and the impulse that led to the founding of the O.E.C.D. and this Organization was our common dedication to an ideal of human progress.

I believe that it is that hope and dedication which hold us together still. I value this meeting as an occasion to confirm the commitment of the Carter Administration to the O.E.C.D. We consider this Organization unique and its role essential. It is the major forum for economic management and coordination among the industrial democracies.

That, we recognize, is a major undertaking. The challenge before us is great: Not just to nourish our own well-being, but to make the world economy work better—with growth, equity, and justice for all.

We are entering a new Political and Economic Era in the world. In that era, North-South confrontation and Northern rivalries must be replaced by new policies based on cooperation and common action. This will mean: improved economic cooperation among the industrialized nations; a new relationship with the developing nations; and increased discourse with the state-trading nations.

POLITICAL IMPERATIVE FOR O.E.C.D. NATIONS

A new relationship with the South and new discourse with the East depend, first, on the state of our own nations. We bear the main responsibility for assuring the kind of economic recovery that translates into a better life for individuals everywhere.

Economic decisions are only part of that enterprise. A fundamental dimension is political. Can we bring our shared values, traditions, and aspirations to bear on our economic problems? I believe that we can and will.

We have taken steps to confirm that resolve. Democracy has been tested—and found working. All our members today enjoy representative government. Portugal, Spain, and Greece have our support, as they strive to strengthen their democratic institutions.

Our commitment to economic cooperation

has been tried—and found unshaken. The Downing Street Summit and other recent meetings of heads of government reflect significant collective endeavor. We look forward to maintaining the momentum attained at those meetings.

Let me sketch a few items, some of which Secretary Blumenthal will discuss further tomorrow.

We must assure sustained economic recovery. We should establish national targets for economic growth and objectives for stabilization, together with our O.E.C.D. commitment to more rapid growth this next year.

We must overcome both unemployment and inflation which sap our economic strength and imperil support for our political institutions. Since unemployment hits the young especially hard, the United States favors the convening of an O.E.C.D.-sponsored "Conference on Jobs for Youth".

We must reject protectionism and expand trade. We believe this Ministerial should renew the O.E.C.D. Trade Pledge and determine how best to resolve trade problems affecting our domestic industries before they become crisis. We will press for substantial progress this year in the Multilateral Trade Negotiations, and advance work to prohibit improper conduct and illicit payments in international commerce.

We must address key questions of finance. Both surplus and deficit countries must take domestic steps to bring about external adjustments. We are now engaged in efforts to increase the resources available to finance balance of payments through the International Monetary Fund. If, contrary to our expectations, these efforts are not successful, then we should jointly examine present and projected financial facilities in the I.M.F. and consider what should be done about the O.E.C.D. financial support fund. Under these circumstances we would be prepared to consider all available alternatives including the O.E.C.D. fund.

Energy, finally, is a particular challenge to the political purpose and cohesion of the industrial nations. Over-dependence on imported oil underscores our political and economic vulnerability. The outlook is not good—unless we intensify efforts within and among our nations.

President Carter is firm in his determination to implement our National Energy Plan. He knows that we must reduce vulnerability to embargo and price increases, and that we must begin to adjust now to the post-petroleum age.

We must also match our domestic programs with stronger international efforts—both to conserve energy and to increase and diversify sources of supply. We must exchange vital technology and enter into joint research and development. The October Ministerial of the International Energy Agency should confirm our commitment to targets for reduced dependence on imported oil.

Nuclear energy is a field of special interest. The United States remains committed to the use of nuclear energy and to the system of international safeguards that maintains the critical distance between civilian and military uses of nuclear energy. However, if we are to meet both the security and energy needs of our peoples, we must find ways to maintain an effective safeguards system as we approach the plutonium generation of nuclear technology.

For that reason, we have opposed the premature entry into a plutonium economy until we have found ways to reconcile our energy and security concerns. It is in this spirit that we have suggested a study of these questions in the International Nuclear Fuel Cycle Evaluation Program.

The combined challenge of these issues before the O.E.C.D.—the need for sustained economic recovery . . . unemployment and inflation . . . trade . . . finance and energy—has a global scope. It also affects directly the

great cities of our countries. Although urban decay and social malaise preceded these problems, many have grown worse because of them.

The city of the seventies too often has an inhumane face.

We need to understand better the impact from the interaction of domestic and international economic trends on the place where most of our citizens live. The United States therefore proposes the establishment of an ad hoc Working Group on Urban Concerns to prepare a draft action program for our consideration next year.

EAST-WEST ECONOMIC RELATIONS

No pursuit of global economic welfare can be complete without reference to the nations of the East. The O.E.C.D. has done a good job in undertaking factual and analytic studies of East-West economic relations. I want particularly to congratulate the Secretary General for his leadership on the East-West project.

We must engage the Comecon nations in our shared economic challenges and responsibilities. They, like us, can and should help address issues in the North-South dialogue. We both have a moral and a practical interest in increasing the flow of resources and technical assistance to the developing world.

We should urge the Comecon countries to join us in seeking genuine, apolitical solutions to problems of global economic development. To be more specific:

They can improve the quality and increase the amount of their development assistance, through both bilateral and multilateral programs.

They can contribute to world food security by participating in arrangements sought under the auspices of the International Wheat Council.

They can help establish equitable multilateral arrangements for commodities.

RELATIONS WITH DEVELOPING NATIONS

It is not enough to worry about our own welfare or seek more cooperation from the East. That limited perspective overlooks more than half of the world's population and a far greater percentage of countries. Solutions to our problems rest on the realization that our problems are linked to those of the Third World—and that the aspirations of our citizens are similar to theirs.

Let me be clear on two points: First, the goals and values of our societies—economic, political, and humanitarian—cannot be achieved fully, in isolation from trends in developing nations.

Second, we must understand that in relations between developing and developed nations, what one side gains is not necessarily the other side's loss.

Relations between developed and developing nations need not spawn conflict. We have concluded an era when the central question was whether to cooperate. We have begun a period in which we must develop the means and institutions for cooperation.

That is the corner we have turned at CIEC. The OECD must now take part in this new start. Together we must maintain continuing cooperation among ourselves and with our counterparts in the developing world.

We therefore urge the Secretary General of this organization to bring about more effective coordination of OECD efforts in North-South issues, to propose options for discussion in the United Nations Third Development Decade and to formulate longer-term strategy and initiatives of mutual benefit to the North and South.

We also recommend that this conference endorse the proposed Declaration on Relations with Developing Nations. This Declaration expresses our shared political commitment to the search for more beneficial methods of cooperation. It, too, could signal a new beginning.

An important part of that Declaration stresses increased attention to the basic human needs of all the peoples of the world. The old agenda for economic development and many of the old issues for negotiation are no longer enough. We need more focus on that part of the world population that lacks essential food, water, shelter, and health care, as well as employment and education. We must direct our efforts to meet more effectively the needs of the poorest peoples in the developing world.

The case for more concerted action is clear. Almost one billion people live in absolute poverty. The problem is growing. Increases in GNP for many developing countries have not meant increased benefits for the poor. For many, in fact, life is worse. Development has too often not "trickled down."

Knowledge about the development process and the ability to overcome poverty are now within our grasp. What we miss is the joint recognition by developed and developing nations that the North-South Dialogue is about human beings and that "equality of opportunity" for a fuller life makes sense for people, not just states.

Let me suggest how we might begin.

First, we must marshal a sense of our means and priorities. For that purpose, I propose that the OECD establish a Special Working Group mandated to design a "Program for Basic Human Needs." That Program should profit from the work in the Development Assistance Committee and should be presented for discussion at the Executive Committee in Special Session by the end of this year. The program should include:

Projections of domestic and international resources required to implement a successful approach to basic human needs;

Proposals for sharing costs among developed and developing nations;

Agreement on measures needed to use those resources most effectively.

Second, we must engage the interest and expertise of the developing nations themselves. We need to share perspectives on a shared problem. No strategy for development can succeed without requisite political will within Third World nations. For that purpose, we should encourage consultations and efforts to identify the kinds of policy changes required to address basic human needs and suggest means for judging progress.

Third, we must move swiftly to expand on specific proposals for an agenda on basic human needs. It should include the following fundamental elements:

Rural Development and Food Production: We must give greater priority to the development of the Third World's rural areas where the great majority of the poorest people live. We must begin with an integrated strategy which emphasizes increased food production and better nutrition in these areas.

Health: At the same time we must emphasize preventive medicine, family planning, prenatal care and other forms of medical assistance which, with minimal cost, could mean the most for the poorest. Again, the relation to an overall strategy for rural development is key: increases in productive employment and crop yields can help make better nutrition possible and bring better health for more people.

Education: Education deserves a similar priority. We should stress primary and secondary education and promote "on-the-job" technical training. The goal is to enhance the capacity for productive employment and provide a way out of absolute poverty.

Two areas related to any human-needs strategy are of import in their own right:

Women: Although poverty strikes all, in many countries, women suffer more than do men from poor health, little or no schooling, and meager diet. Their traditional roles often keep women out of the paid work force and lock them into low status. There is a direct relationship between higher edu-

cation and employment opportunities for women and smaller families. High birth rates both reflect the specific situation of many women and reinforce the general cycle of poverty. Release from rural poverty may well begin with the real economic and social emancipation of women.

Ecological Disaster: Finally, a substantial part of absolute poverty stems from the toll taken over time by ecological disaster, as in the Sahel. The poor bear a disproportionate burden when overpopulation, economic underdevelopment, and ecological overstress interact. Developing nations, with two-thirds of the world's population, suffer 90 percent of disaster-related deaths.

The OECD has a unique opportunity to support emerging efforts in the United Nations and to work with developing nations on means to provide longer-term alleviation of ecological disaster. Efforts at early warning and access to food reserves are among measures which address the core of basic human needs.

Obviously, attention to basic human needs is only part of a broader strategy for development. It should not supplant other important efforts at economic advancement which this Organization has supported and which have contributed to economic development in the Third World. To supplant other ongoing efforts is not our purpose. We wish to add a vital dimension. If we do not do so, we run the risk of losing the support of our legislative bodies and peoples.

It is in meeting the challenge of fulfilling basic human needs that both developed and developing nations can more firmly establish their joint commitment to individual human dignity. We thus look forward to making this concern more central to the new relationship and to moving toward more specific programs for implementation by the time we meet next year.

At the beginning, I pointed to the progress we have made together. It has been a long, hard but rewarding road we have traveled.

But, we have left one destination without reaching another. We are in transit to a new era of cooperation and common action.

In practical terms our journey will involve going beyond new directions for industrial democracies, new discourse with state-trading nations, and new relationships with developing countries. It will take us to a firmer focus on people. It is the individual and collective hopes of people, their rights, and their needs that deserve the full-est measure of our dedication.

REMARKS BY THE HONORABLE MICHAEL BLUMENTHAL, SECRETARY OF THE TREASURY OF THE UNITED STATES, AT THE MINISTERIAL MEETING OF OECD, PARIS, FRANCE

PROSPECTS AND POLICIES FOR SUSTAINING EXPANSION IN THE OECD AREA

Last month the Heads of Government of seven of the countries here agreed on several basic objectives:

To create more jobs while continuing to reduce inflation;

To achieve stated growth targets or to pursue appropriate stabilization policies;

To support IMF efforts to obtain additional resources and to link IMF lending to the adoption of appropriate stabilization policies;

To pursue both national and joint efforts to limit energy demand and to increase and diversify energy supply;

To reject protectionism and give a new impetus to the Tokyo Round of multilateral trade negotiations; and

To provide the developing countries with greater opportunities to share in the growth of the world economy.

This meeting provides an opportunity for other nations to join in those commitments. I urge each one to do so.

It provides an opportunity to establish procedures which will improve our under-

standing of the implications of each nation's policies and enable us to monitor our progress. I propose that we do so.

And it is an occasion of a considering together of our prospects for sustained economic growth in the OECD area.

In virtually every country represented here unemployment is at a totally unacceptable level. In most of our countries inflation is too high. Many of our nations are experiencing external payments deficits which cannot be long sustained.

We face interrelated problems in an interdependent world. We cannot solve one problem at the expense of the others. Nor can any nation expect to be an island of prosperity in a sea of economic troubles. Our problems must be solved together and cooperatively. The survival of our political institutions and our open trade and financial system depends on our success.

We can meet this challenge; we can succeed in achieving sustained non-inflationary growth.

If every member country in a position to do so pursues the domestic macro economic policies which will induce the maximum rate of domestic growth consistent with avoiding a resurgence of inflation;

If every country which does not yet have inflationary pressures under control pursues forceful and effective stabilization policies;

If we go beyond traditional demand management measures to attack the underlying structural causes of unemployment and inflation;

If both surplus and deficit countries allow exchange rates to play their appropriate role in the adjustment process.

Because some countries have made more progress than others in controlling inflation and some are under external financial strains while others are not, the policies required will differ from country to country.

In the financially strong countries this situation calls for economic expansion at the maximum rate consistent with control and reduction of inflationary pressures. In the United States, we are already well on our way toward achievement this year of roughly 6% growth, year end to year end. First quarter economic activity grew at an annual rate of 6.9%. We expect a similar performance in the current quarter, followed by a 5 to 5½% growth rate in the second half of the year. Unemployment has been pushed below 7% for the first time in almost three years while employment has risen by over 2 million in six months.

At the same time, despite temporary setbacks because of bad weather, the United States' underlying inflation rate has remained stable, although still too high.

We are naturally concerned by the Secretariat's forecasts which suggest that current policies may not enable either Germany or Japan to reach its stated growth target and that too much of the growth of output, in Japan particularly, is going into exports. But we have faith in the assurances of Chancellor Schmidt and Prime Minister Fukuda that they will take further measures, as needed, to achieve their growth goals and to reduce their current account surpluses.

Reduction of the current account surpluses is essential because some of the weaker countries are approaching prudent limits to the accumulation of debt—whether to private lenders or official institutions. In these circumstances the availability of ample lendable funds from persistent surplus countries is not a complete answer.

Stronger domestic growth and exchange rate appreciations in the stronger countries will tend to eliminate their surpluses. But supplementary steps are also in order. This is the time for surplus countries to eliminate practices which favor exports over output for domestic consumption or impede imports or interfere with exchange markets. It is a time

for strong countries to dismantle monetary and capital controls that might depress exchange rates and for seeing that foreign exchange acquired outside the market, such as interest accruals on existing reserves, is resold on the market.

Among the responsibilities of the stronger countries, I count the obligation of the United States to reduce its excessive imports of oil. The flow of oil from Alaska will provide an immediate reduction of our import demand. But for the longer run, we must achieve a strong energy program based on conservation and the substitution of domestic for imported fuels. President Carter has made that goal his top priority despite the difficulty of achieving the economic and social changes it entails.

Countries in weak external financial positions have an equal responsibility to put their own houses in order, to stabilize their economies and improve their international competitiveness. They have a right to the cooperation of the stronger countries, but they cannot expect others to solve their problems for them. They should not overborrow. They should permit sufficient depreciation of their currencies to improve their competitive positions. And they should back up their declining exchange rates with domestic policies that retain their competitive gain. The benefits of depreciation may not come quickly but if exchange rates are not allowed to respond to differences in inflation rates, payments imbalance can only grow worse. It is hard to see how any country can improve its international position unless its policies allow its producers export profit margins that are essential to an adequate export performance as well as to improved import competitiveness. Manufacturers must have the proper incentives to invest in facilities for both the export and home markets.

Obviously the domestic economic policies needed to restore domestic price stability and external creditworthiness are not easy for governments. They involve national belt-tightening. Yet delay will only lead to the necessity for more severe and more painful action. At the first sign of difficulty in attracting capital on normal terms, stabilization programs should be developed, with the cooperation of the IMF if necessary. Such cooperation will not only bring official financing but will also help to sustain financing from private sources.

Many countries have, of course, been following this growth or stabilization strategy for some time. We are now beginning to see results. The world payments pattern is shifting significantly in the right direction.

Economic expansion is beginning to exert its impact, notably in the United States. We expect a current account deficit of \$10 to \$12 billion this year compared to a deficit of \$600 million in 1976 and a surplus of \$11½ billion in 1975. As the strength of the dollar indicates, the United States can sustain this deficit for a time because we attract the capital required to finance it.

General economic recovery is clearly improving the earnings of many developing countries. Exports of the non-oil developing countries were one-third higher in the fourth quarter of 1976 than a year earlier. And while some individual developing countries face difficulties, there is no general "LDC debt problem." In fact, reserves of non-oil developing countries rose by \$11 billion last year.

Stabilization programs are beginning to show results. The United Kingdom's balance of payments appears to be edging into surplus while Italy, Mexico and Brazil have sharply reduced their deficits.

But despite these signs of progress, we have a considerable distance to go toward appropriate payments balance.

We need significant shifts—into deficit—into the current account positions of such sur-

plus countries as Japan, Germany, Switzerland and the Netherlands.

We need to see stabilization policies adopted in a number of smaller countries represented at this table.

And in the countries which have already adopted stabilization measures we need perseverance until inflation is brought down and the fears of its resurgence allayed.

I recognize that such changes cannot occur overnight. They require time and careful, gradual policies. Countries in a weak external position will need adequate official financing, conditioned on the adoption of suitable stabilization policies. I am confident that the current efforts to expand the IMF's resources will ensure the adequacy of official financing to meet this need for the near term, apart from the unique case of Portugal. For the longer term, I trust that all OECD members will also be prepared to support an adequate increase in the quotas of the IMF.

But while adjustments and structural changes in our economies take time, the longer the initiation of this process is delayed, the greater the danger of domestic turmoil or of trade restrictions and debt defaults. We have been preoccupied with concerns about the sustainability of the financial system. But the penalty for failure to solve our financial problems may not be financial collapse. Instead, the result may be trade restrictions and a slide back into the inefficiencies of economic nationalism.

Unilateral trade restraints must be rejected as an unacceptable response to payments deficits or to problems of domestic economic adjustment. Such measures clearly risk fostering further unemployment and increasing inflation, both at home and abroad.

While we cannot ignore the reality of trade-related difficulties in certain sectors which cannot be fully resolved overnight, our objective should remain meaningful adjustment to structural change within our own economies without shifting those problems to our trading partners. Our record has not been perfect on this score, but overall—the OECD members have resisted the pressures of protectionism.

Renewal of the trade pledge of 1974 provides us the opportunity jointly to reaffirm our determination to avoid trade restrictions or other restrictive current account measures and the artificial stimulation of exports. The U.S. strongly supports its renewal and urges your support as well.

We must also seek to liberalize trade by granting new impetus to the Multilateral Trade Negotiations in Geneva by seeking substantial progress in key areas this year.

This means that we must agree on what the critical issues are, on what rules we will adopt to deal with them, and within what time period each of these steps is to be taken.

We urgently need agreement on:

A formula for tariff reduction and rules for negotiating the lowering of non-tariff barriers;

A practical and effective means of breaking the deadlock on agricultural trade;

Steps to help the developing countries benefit from expanding world trade, and

A new international code on subsidies and countervailing duties.

We need better mutual understanding of what constitutes fair and unfair trade and host governments may justly respond to unfair trade practices to counter a major irritant in our trading relations.

We need, in short, not rhetoric, but real progress in addressing the difficult problem of trade liberalization.

I would like to stress the importance of further progress toward an arrangement which broadens and strengthens the present international consensus on export credits.

Achieving the domestic and international adjustments I have outlined will require skilled and responsible economic manage-

ment and a willingness to plan ahead. As the Secretariat points out, our countries must give more attention to the medium term. In the United States, President Carter has set a goal of reducing both the rate of inflation and the rate of unemployment and balancing the Federal budget in a high employment economy by 1981. We are viewing economic and budgetary decisions and developing economic goals in that context.

Growth targets and stabilization policies must, of course, remain the ultimate responsibility of sovereign nations. Each country will be assisted in arriving at its growth goals and stabilization policies, however, if it has a clear understanding of the plans of other nations and of the global implications of its own objectives.

I believe it would be useful, therefore, to strengthen the procedure for multilateral examination and subsequent monitoring of the economic policies of member countries. We need to be realistic, however. The members as a whole—although not all member countries—probably should be aiming at a somewhat faster rate of expansion in 1977. Nevertheless, we are not in a position at this meeting to set a quantitative target for the growth rate for the area as a whole in 1978. Any such target must be the outgrowth of national decisions not yet made.

I support the suggestion that each country be asked to submit preliminary objectives for the growth of domestic demand and for stabilization policies for 1978 to the Organization early in the fall. We should also expect countries to indicate the desired direction of change in prices and current account positions, although specific targets for these indicators would be impractical. These submissions would form the basis for study and comment by the Economic Policy Committee. Because this proposal blends directly into the ongoing work of the Organization, I would not expect it to require the impetus of a special meeting of the Ministerial Council.

Finally, let me say that we must conduct our economic policies with the recognition that some of our tools of economic management no longer work as they once did. In the United States and other countries, the trade-off between economic activity and inflation has changed. We see that neither high unemployment nor low utilization of capacity leads automatically to a rapid drop in inflation. Factors other than excess demand are increasingly important determinants of inflation.

So we must seek new programs and policies to supplement demand management in our efforts to reduce unemployment and inflation. Many of the measures we must adopt should focus on specific structural problems in our economies—the need to change employment patterns and develop new labor skills, the need for new measures to provide employment for our youth, the need to foster competition and to remove regulations that are outdated or fail to meet a cost-benefit test.

I support the proposal for a high level conference to exchange experience and develop policy directions on measures for alleviating youth unemployment. This problem is universal among our countries. Because many of us are embarked on specific programs to combat it, we can benefit from sharing our ideas and our experiences. I also welcome the useful and timely discussion in the Report of the McCracken Group on techniques for combating inflation. As part of President Carter's comprehensive anti-inflation program, the United States is already reviewing government regulations with the intent of reducing unnecessary costs imposed on the private sector and enlarging the scope for the free market. At the same time, we are working with labor and management to develop voluntary, cooperative measures to avoid wage-price spirals.

When all is said and done, the success of our economic policy depends fundamentally on our ability to engender confidence that we will achieve sustained growth with lower unemployment and price stability and that we will maintain a strong and open monetary and trading system. In a cost-benefit calculus, the dangers of pushing ahead too far and too fast have increased because our economies seem less responsive to attempts to correct over-stimulation. We should recognize this reality, as the United States did in withdrawing the proposed tax rebate. Our policy should be cautious yet committed, providing a firm basis for rebuilding the confidence that we need to call forth increased investment in productive capacity. After their experiences of the recent past, businessmen in all countries are wary—and understandably so. But investment is vitally needed to create jobs, avoid supply problems and speed up productivity growth.

Our words alone will not win this confidence. But if we take actions which demonstrate the determination and ability to adhere to the approach being proposed here today, we will gain the confidence that will undam the vital flow of investment. Unemployment will be brought down; inflation will be reduced; and a sustainable pattern of external payments will evolve.

Thank you, Mr. Chairman.

THE UNDER SECRETARY OF THE
TREASURY FOR MONETARY AFFAIRS,
Washington, D.C., June 28, 1977.
MEMORANDUM FOR THE HONORABLE ABRAHAM
A. RIBICOFF

Pursuant to our conversation last week, I enclose the text of Secretary Blumenthal's statement at the OECD Ministerial Meeting on June 24. The statement—as was the OECD Ministerial meeting itself—is designed basically to give impetus to the agreements reached at the London Economic Summit on a comprehensive strategy for dealing with current world economic and financial problems.

Encourages countries in strong external positions to meet their economic growth targets, to accept reductions in their current account positions and to dismantle controls that tend to depress their exchange rates;

Encourages countries in weaker positions to stabilize their economies and improve their international competitiveness;

Endorses expansion of IMF resources to support countries' stabilization programs during the transitional period while adjustment and stabilization policies take effect; and

Urges rejection of unilateral trade restraints, agreement on renewal of the OECD trade pledge, and meaningful action in the Multilateral Trade Negotiations.

In order to give greater impetus to the effort to restore sound, non-inflationary growth, the Secretary's statement endorses a strengthening of procedures for examining and monitoring countries' policies in the OECD—while recognizing that growth targets and stabilization policies must remain the ultimate responsibility of sovereign nations. Finally, the statement notes changes in circumstances that necessitate new programs and policies—focusing on structural economic problems—to support demand management in the effort to reduce unemployment and inflation.

Although not mentioned in the Secretary's statement, I would call your attention to the agreement reached by a number of countries immediately before the Ministerial Meeting on the provision of some \$750 million in financial assistance to Portugal over the next eighteen months or so. This package coincides with our estimate of the financing needs and will contribute greatly to restoration of the Portuguese economy. We were extremely pleased that agreement was possible at this time, and I hope that the Congress

will act speedily to enable the U.S. to participate.

ANTHONY M. SOLOMON.

[O.E.C.D. press release]

COMMUNIQUE

1. The Council of the Organisation for Economic Co-operation and Development met at Ministerial level on 23rd June, under the Chairmanship of the Honourable Andrew Peacock, M.P., Australian Minister for Foreign Affairs, and on 24th June with the Right Honourable Phillip Lynch, M.P. Australian Treasurer, in the Chair.

DEVELOPMENT COOPERATION

2. Ministers reviewed the results of the Conference on International Economic Co-operation and discussed longer-term aspects of international development co-operation. Ministers then adopted the Declaration on Relations with Developing Countries annexed to this Communiqué. They reaffirmed the importance of close collaboration and strengthened co-ordination with the OECD to assist Member Governments to prepare for specific discussions with the developing countries in the various international fora in working toward the objectives set forth in the Declaration.

ENERGY

3. Ministers recognized that an imbalance between world energy supply and demand, which could occur as early as the 1980s, would have severe economic, social and political repercussions in OECD countries and throughout the world. They expressed their determination to avoid that situation by stronger action to conserve energy and develop alternative sources of energy and by including sound energy policies in their overall economic policy.

COMMODITIES

4. Ministers noted the importance of continuing discussions on commodities and endorsed the agreement reached in the CIEC to establish a Common Fund with the specific purposes, objectives and other constituent elements to be further negotiated in UNC TAD, and the willingness declared at the Conference to make all efforts for the success of the negotiations being undertaken in UNCTAD on commodities. They invited the Organisation to continue its work in the field of commodities in order to assist Member countries in these efforts, and to examine other related commodity issues.

TRADE

5. Ministers agreed that while in several respects the economic situation was different from that which prevailed at the time of the adoption of the Trade Declaration in 1974, it was still characterized by exceptional difficulties and divergencies in Member countries' situations. They noted with concern that persistent high levels of unemployment and difficulties in certain sectors have increased protectionist pressures. Ministers emphasized that recourse to protectionist policies would foster unemployment, increase inflation and reduce economic welfare. They agreed that the present economic situation together with the increasing interdependence of OECD economies reinforced the need for a renewed political commitment to avoid restrictive unilateral trade and current account measures and the artificial stimulation of exports; measures of this kind tended to carry the risk of proliferation with self-defeating implications. They also agreed that such a commitment and related disciplines in the field of general economic policy were an essential element of the strategy for sustained non-inflationary economic growth in the OECD area. Indeed such growth should itself facilitate the avoidance of restrictions.

6. Member Governments* therefore de-

* Spain has reserved temporarily its position.

ceded to renew, for a further year, their Trade Declaration of 30th May, 1974. They agreed that full use should be made of the existing possibilities for consultation in order to find and implement multilaterally-acceptable solutions to trade problems, whether industrial or agricultural, in a manner which would take into account the interests of all concerned. In the case of sectoral problems, every effort should be made to identify such problems before they assume critical proportions and to proceed to consultations in their regard, taking into consideration, *inter alia*, structural changes in the world economy.

7. Ministers welcomed the progress achieved in multilateral co-operation concerning export credits and underlined the need for further efforts to improve and extend the consensus on guidelines for the extension of officially-supported export credits.

8. Ministers reaffirmed that it was essential to maintain an open and multilateral trading system as a basic element in the overall approach to the economic problems with which their countries were confronted and stressed the importance of giving impetus to the Multilateral Trade Negotiations with the objective of making substantive progress in key areas in 1977, and achieving agreement over the range of issues as rapidly as possible.

9. Ministers welcomed the work being done in the United Nations Economic and Social Council on corrupt practices in international commercial transactions, and expressed the hope that it would take the measures necessary with a view to reaching agreement as early as possible on appropriate means, including the negotiation of an international agreement, of combating illicit payments.

INTERNATIONAL INVESTMENT AND MULTINATIONAL ENTERPRISES

10. Recalling the Declaration and the Decisions of OECD Member Governments of 21st June, 1976, on International Investment and Multinational Enterprises, Ministers also welcomed the work of the United Nations Commission on Transnational Corporations on a code of conduct.

PROGRESS UNDER THE STRATEGY FOR SUSTAINED ECONOMIC EXPANSION

11. Ministers reaffirmed the strategy for a sustained expansion, aiming at a progressive return to full employment and price stability, which they adopted in June 1976. The basic premise on which this strategy rests is that the steady economic growth needed to restore full employment and satisfy rising economic and social aspirations will not prove sustainable unless Member countries make further progress towards eradicating inflation. Ministers examined the progress made in implementing the strategy and reviewed the prospects for the coming year. While recognizing that serious problems persisted, they welcomed the fact that some Member Governments had committed themselves to economic growth targets during 1977 and some others to stabilization policies which were intended to provide a basis for sustained noninflationary growth world-wide.

12. Ministers agreed that the achievement of the objectives of the strategy would be promoted by a somewhat faster rate of expansion in the OECD area as a whole in 1978 than seems likely to be achieved in 1977, although this does not apply to some countries. An overall growth rate of OECD GNP of around 5 percent in 1978 would at this point seem desirable and consistent with the strategy. They agreed that, where necessary and appropriate, action should be taken to achieve this. This somewhat faster rate of expansion should:

Enable real progress to be made in reducing unemployment next year;

Help to stimulate the productive investment needed to provide jobs for the unemployed; and

Be compatible with a further reduction in the rate of inflation.

13. Further progress against inflation will not come about of its own accord. Determined action will be required to slow down the price/wage spiral. Some countries will need to pursue—and some to reinforce—vigorous stabilization policies. To promote better payments equilibrium, Member countries in a weak external position will hold the growth of domestic demand to a rate compatible with reducing inflation, and also follow policies to improve their competitive position, so as to attain a sustainable current-account position. Member countries in a strong external position will provide for a sustained expansion of domestic demand compatible with further reduction of inflation; they are ready to see a weakening in their current-account position and an appreciation of their currencies in response to underlying market forces.

14. Specific objectives and policies for expansion and stabilization will vary as between Member countries. But, taken together, they must provide the basis for sustained non-inflationary growth in the OECD area and the world economy as a whole. Ministers agreed on the need to strengthen procedures for monitoring progress under the strategy. To this end, they decided that Member countries would communicate their preliminary objectives for the growth of output and domestic demand and their stabilization policies for 1978 to the Organization so that their mutual consistency and global implications can be examined, and can then provide the basis for monitoring progress during the course of next year.

15. Ministers recognised that a sustained increase in demand, while necessary, will not on its own solve the problems of unemployment and lagging investment, which are due in part to structural causes and the legacy of events of recent years.

Lagging investment now can lead to unemployment later. In countries where real wages have run ahead of productivity increases in recent years there is a need to increase the return on investment. In some countries there may be need for a greater consensus between government, labour and management on the reduced scope for increases in public and private consumption.

In prevailing circumstances further efforts where appropriate should be made to supplement overall demand management policies by specific measures designed to increase employment, including policies which help adapt the labour force to the requirements of rapid structural and technological change.

In the efforts to reduce unemployment, particular attention should be paid to the unemployment of young workers. Special measures have been taken in many countries and more may be needed. Ministers instructed the Organization to strengthen its exchange of experience and to organise urgently a high-level conference for this purpose.

16. Ministers reviewed the international payments situation. They welcomed the progress being made toward a more appropriate payments position by some of the larger Member countries. While some of the smaller Member countries are also making progress in the right direction, many of them are still running unsustainably large current account deficits. Ministers underlined the need for continued efforts to arrive at a more sustainable pattern of current-account positions in the OECD area. They agreed on the need to ensure that adequate official financing facilities are available to back up appropriate stabilization programmes. In this connection they heard a statement by the Managing Director of the International Monetary Fund on the progress made in negotiating additional resources to finance balance of payments through the IMF. Many Ministers stressed the importance they attached to implementation of the OECD Financial Support Fund in addition to the IMF facility.

17. Ministers noted that present conjunctural difficulties are exacerbating longer-run structural and development problems, as well as the employment and balance-of-payments difficulties, of some Member countries. Ministers therefore agreed that the competent bodies of the Organisation dealing with the various aspects of these problems should, in a positive and co-ordinated way, take into consideration the means to overcome such difficulties.

18. Ministers noted with interest the recommendations contained in the report *Towards Full Employment and Price Stability* produced by a group of experts under the chairmanship of Professor McCracken and instructed the Organisation to examine both the analysis and recommendations in the Report. They agreed that, taking account of the important differences between countries, the Organisation and Member governments should study in particular the recommendation that, over the medium term, a policy of not accommodating high rates of inflation should be built around some or all of the following elements: publicly-announced norms for the growth of the monetary aggregates; a fiscal policy geared to guidelines for public expenditure and a budget norm designed to avoid giving an inflationary stimulus; and consultative arrangements designed to clarify the kind of price and wage behaviour consistent with achieving and maintaining full employment.

19. Ministers also noted with interest the reports by the OECD Trade Union Advisory Committee on a strategy for full employment and instructed the Organisation to study and evaluate the proposals contained in them, as well as in the paper by the OECD Business and Industry Advisory Committee on noninflationary growth.

[Annex]

DECLARATION ON RELATIONS WITH DEVELOPING COUNTRIES

(Adopted by Governments of OECD Member Countries on 23rd June, 1977)

1. Ministers of Member governments of the OECD meeting in Paris on 23rd June, 1977, discussed relations with developing countries and the longer-term orientation of international development co-operation.

2. Ministers affirmed that the CIEC had played a valuable role in building up a climate of dialogue between the developing and developed countries. It had provided the opportunity for a thorough global examination of the major issues involved and agreement was reached on a number of important points, although it had not been possible to reach agreement on some other important topics of mutual interest. All Member governments of the OECD, including those who did not participate in the CIEC, joined together in welcoming the agreements that were reached there. They also welcomed the intention of some OECD Member governments in addition to those who took part in the Conference, to associate themselves with a Special Action Programme announced at that Conference.

3. Looking ahead, they agreed that further efforts were needed on the part of both developed and developing countries to build a more equitable and stable international economic system, one which would create a better life for all people. These efforts will be supported by a return to full health of the international economy which is the concern of developed and developing countries alike. Recalling their Declaration of 28th May, 1975, Ministers expressed their readiness to pursue actively the on-going dialogue with developing countries in the United Nations system and in other appropriate fora and to co-operate in solving economic and social problems of common concern, thereby making it possible for the developing countries to participate increasingly in the benefits of

an improved and expanding world economy. In this connection they stressed their willingness to encourage effective international co-operation and dialogue on energy.

4. Welcoming the progress made in development co-operation on many fronts, Ministers acknowledged the necessity to continue working with developing countries towards improved and more effective development co-operation policies. They affirmed that while development co-operation concerned relations between governments its objective was the well-being of individuals; development co-operation should therefore fulfil the dual purposes of growth of incomes and meeting basic needs of individuals in all developing countries. They stressed that development policies for transfers of resources and structural changes should be clearly directed to these purposes. This was particularly necessary in order that the objectives and policy concepts of development cooperation would be better understood and supported by the peoples of industrialised and developing countries.

5. Ministers of OECD countries, donors of aid, reaffirmed the intention, as expressed by their countries in different fora, to increase effectively and substantially their official development assistance and to achieve an improved balance of their efforts in this regard. They announced their determination to direct, in co-operation with developing countries, a progressively larger share of their efforts to programmes meeting basic human needs. To realise this new orientation with respect to all developing countries, they also agreed to review the scope and direction of development assistance with a view to achieving greater volume and more efficiency in its use in an enlarged international effort.

THE SENATE ROLE IN FEDERAL APPOINTMENTS

Mr. BAKER. Mr. President, it is my understanding that the June issue of the Virginia Bar News, published by the Virginia State Bar, includes an informative and well-researched article by our distinguished colleague from Virginia, Senator SCOTT. The article, entitled "The Senate Role in Federal Appointments," develops the constitutional basis for the Senate's advise and consent role with regard to Federal appointments, including those related to the Federal judiciary. Senator SCOTT is an able lawyer and a distinguished member of our Judiciary Committee where he serves as the ranking Republican on its Subcommittee on the Constitution. I commend the article to the attention of my colleagues and ask unanimous consent that a copy of the article be printed in the RECORD.

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

THE SENATE ROLE IN FEDERAL APPOINTMENTS (By U.S. Senator William L. Scott*)

The Senate has recently passed an Omnibus Judgeship bill providing for additional Federal District and Circuit Court Judges throughout the country, including two from each of Virginia's Judicial Districts and three from the 4th Judicial Circuit. Of

*Senator SCOTT, R-Va., is a graduate of George Washington University School of Law, a member of the Virginia State Bar, serves on the Senate Judiciary Committee, and is the ranking Republican on its Subcommittee on the Constitution. His two sons, Bill Jr. and Paul, also are members of the Virginia Bar.

course, the House of Representatives must approve the measure which may take several months but it is anticipated that the bill will be enacted even though there may be revisions by the House.

After the final passage and signature by the President, the nominating process will commence. Of course, the recommendations of commissions established by the President to recommend nominees for the Circuit Court and commissions established by Senators from a number of states to make recommendations of lawyers to fill the vacancies is an innovation that will carry considerable weight. However, a review of the Senate role in Federal appointments, including judicial ones, as it has evolved over the years, may be of interest to members of the Bar.

CONSTITUTIONAL AUTHORITY

The opening sentence of Article II of the Constitution vests unqualified executive power in the President, but elsewhere variously defined powers are accorded the Chief Executive, some to be exercised alone and others to be shared with the Congress.

The second paragraph of Section 2, Article II refers to the Presidential powers of appointment in these words:

"He shall have Power, by and with the Advice and Consent of the Senate, to make Treaties, provided two-thirds of the Senators present concur; and he shall nominate, and by and with the Advice and Consent of the Senate, shall appoint Ambassadors other public Ministers and Counsels, Judges of the supreme Court, and all other Officers of the United States, whose Appointments are not herein otherwise provided for, and which shall be established by Law; but the Congress may by Law vest the Appointment of such inferior Officers, as they think proper, in the President alone, in the Courts of Law, or in the Heads of Departments."

Writing in *The Federalist Papers* (No. 66), with regard to the functions of the Senate, Hamilton expressed some concern about an "undue accumulation of power in that body, tending to give to the government a countenance too aristocratic." Later in the same paper he reasoned that the nature of the participation of the Senate in the appointment process would be so slight that it would not upset any balance between the two Houses of Congress or the three branches of government.

"It will be the office of the President to nominate, and, with the advice and consent of the Senate, to appoint. There will, of course, be no exertion of choice on the part of the Senate. They may defeat one choice of the Executive, and oblige him to make another; but they cannot themselves choose—they can only ratify or reject the choice he may have made."

AN AMERICAN PHENOMENON

Even today, the Federal practice of submitting nominations for executive positions to the Senate for its advice and consent has little following in other countries, including those with constitutions patterned after the American model. Therefore, it would seem fair to conclude that the Senatorial confirmation is largely an American political phenomenon.

It is understood that Senate confirmation grew out of a compromise between opposing views advocated in the Constitutional Convention of 1787. Late in their deliberations the members accepted the position that the President would nominate candidates for all major offices but require the Senate to give its advice and consent to such appointments. The final provision empowering Congress by law to authorize the President alone to appoint other officers was not added until near the end of the Convention.

There had been considerable discussion during the Convention of basic differences of the power of appointment and the Senate

role in the appointment process. Roger Sherman indicated in one of his letters that:

"The Senate, being a branch of the legislature, will naturally incline to have them (the laws) duly executed and therefore, will advise to such appointments as will best attain that end. From the knowledge of the people in the several states, they can give the best information as to who are qualified for office; and though they will, as you justly observe, in some degree lessen his responsibility, yet their advice may enable him to make such judicious appointments, as to render responsibility less necessary."

It would appear that in today's Union of 50 states and several territories with a population approaching 220 million people, individual Senators can oftentimes add insight regarding an individual under consideration that is not as readily available or apparent to the Chief Executive of the Nation.

NOMINATIONS ARE NUMEROUS, VARIED

Many Presidential nominations relate to commissioned officers being promoted from one rank to another, and many appointments are made under the Civil Service system where the President does not play any direct role. There are also many lower non-Civil Service positions where the head of a department or agency makes appointments Congress has authorized without confirmation. The job of individually considering the appointment of more than two million civilian employees and a large number of military officer personnel would be impossible for either the President or the Senate. However, during the biennium of the 94th Congress, according to Congressional sources, the military and civilian nominations received and acted upon by the Senate was as follows:

Total nominations	
Received	132, 051
Confirmed	131, 378
Withdrawn	21
Rejected	2
Unconfirmed	650
Civilian nominations	
Received	5, 954
Confirmed	5, 620
Withdrawn	21
Rejected	2
Unconfirmed	311

Nominations for promotion of military officers are processed through the Service Secretaries, having previously been recommended by promotion boards, in accordance with law and service regulations. The Service Secretaries, through the Secretary of Defense, submit groups of nominations to the President for certification to the Senate. Upon receipt in the Senate, the nominations are referred to the Committee on Armed Services where they are generally held for a period of seven days and if no committee members object to one or more of the nominees, the bloc is favorably reported to the full Senate and usually confirmed by a voice vote.

Rule 38 of the standing rules of the Senate provides, in part:

"When nominations shall be made by the President of the United States to the Senate, they shall, unless otherwise ordered, be referred to appropriate committees; and the final question on every nomination shall be, 'Will the Senate advise and consent to this nomination?' which question shall not be put on the same day on which the nomination is received, nor on the day on which it may be reported by a committee, unless by unanimous consent."

THREE-STAGE PROCESS

Perhaps at this point it should be mentioned that there are generally three distinct stages to Presidential appointments: First is the nomination of the candidate by the President and the transmission of his name to the Senate, then follows the assent of the Senate to the candidate's appointment, and

third, the final appointment and commissioning of the appointee by the President.

The fact that the power of nomination belongs to the President alone prevents the Senate from attaching conditions to its approval of an appointment, such as it may do in the approval of a treaty. Yet, committees of the Senate, and particularly chairmen of the various committees and the leadership of the Senate, do like to be shown the courtesy of being informed in advance with regard to an appointment. Sometimes failure to consult with Congressional leaders leads to difficulty in obtaining prompt approval of Presidential nominees for important positions.

SENATORIAL COURTESY

Perhaps the best known among the customs of the Senate is Senatorial courtesy. Following this custom the Senate may refuse to confirm a nomination to an office that is situated within a particular state unless the nominee has been approved by the Senators from that state. This procedure is not ordinarily applied to Cabinet appointments or nominations for other national or regional offices, but ordinarily relates to an office such as a federal district judge, a United States attorney, a United States marshal, or perhaps other offices where the nominee would serve wholly within an individual state.

In the past this custom was exercised by the concerned Senator on the Senate by the concerned Senator on the Senate floor stating that a nominee was "personally obnoxious" to him. There may have been some personal animosity, perhaps political differences, or the Senator may have had another candidate in mind for the office. But at the present time, denouncement on the floor and use of the phrase "personally obnoxious" is not generally followed. At present the committee chairman will usually send a form to the office of the Senators from the state of residence of the nominee. This form is popularly called a "blue slip" and some chairmen will not act upon a given nomination until the form is returned; while others will afford Senators a reasonable period of time within which to either return the slip or to indicate his approval or disapproval of a particular nominee.

It has been said that this custom of Senatorial courtesy had its beginning in the Washington Administration. In 1789, President Washington nominated Benjamin Fishbourn to the post of Naval Officer of the Port of Savannah, Georgia. Fishbourn appeared to be well qualified but he did not have the support of Georgia's Senators. The Senators opposed Fishbourn and the Senate followed their lead and rejected the nomination. President Washington acknowledged the Senate's rejection and announced he would nominate another candidate, the favorite of the Georgia Senators. Therefore, a precedent was established and, for the most part, followed thereafter. Sometimes the Senate will expect an individual Senator to explain the basis for his opposition to the nominee, but more frequently, upon request of a Senator the committee will not even act upon the nomination. This factor may depend upon whether or not the Senator himself is in good standing with his colleagues in the Senate. It may depend upon whether he is of the same political party as the Senate majority or the President. Nevertheless, the fact remains that Senatorial courtesy exists in one form or another and is a factor that must be considered by the Chief Executive in selecting people to be nominated for major offices when they are located in a given state.

VIRGINIA EXAMPLE

An example of Senatorial courtesy occurred last year regarding a Virginia judgeship. I recommended Glen M. Williams of Jonesville to fill a vacancy on the United

States District Court for the Western District of Virginia. Mr. Williams appeared to be highly qualified. He had been valedictorian of his high school class, graduated Magna Cum Laude from college, was president of the student bodies in both college and law school, received his law degree from the University of Virginia where he was a member of the Order of Coif, Honor Council, Raven Society and editorial board of the *Virginia Law Review*. He was elected Commonwealth's Attorney even before graduating from law school, had served in the Virginia State Senate, had been rated as an "A" attorney by Martindale-Hubbell for more than 15 years, was a member of the Council and the Judicial Ethics Committee of the Virginia State Bar, and was rated by the American Bar Association as "well qualified" to serve in this judicial capacity.

When President Ford nominated another Virginia lawyer, the Chairman of the Judiciary Committee took the position that a nominee for federal district judge should have the approval of the Senator from the President's party of the state wherein the judge was to sit; after learning of my preference, he moved that the nomination be tabled, which was done without discussion and without objection. The Chairman's action was in support of the tradition and privileges of the Senate. Thereafter the President, at the request of the nominee, withdrew his nomination and during the closing days of the 94th Congress submitted Glen Williams' name to fill the vacancy. After timely notice, hearings were had, the nomination favorably reported, and by unanimous consent, confirmed by the Senate the same day.

Another interesting facet of the nominating process is the tradition that a Senator or former Senator whose name is submitted is generally confirmed. Oftentimes favorable action is taken by unanimous consent and without reference to a committee and this has been the custom over the years.

NO RECALL

It is interesting to note, however, once the Senate has approved a nomination and advised the President of its action, it cannot later recall the nomination. In 1931 the Senate requested President Hoover to return its resolution notifying him that it had advised and consented to certain nominations to the Federal Power Commission. The President declined to do this, saying that he could not permit the power of the Senate to encroach upon executive functions by removal of a duly appointed executive officer under the guise of reconsideration of his nomination. The Senate, however, voted to reconsider and then instructed the United States attorney for the District of Columbia to institute *quo warranto* proceedings in the then Supreme Court of the District of Columbia. In 286 U.S. 6 (1932), the United States Supreme Court affirmed the dismissal of the writ. The court reasoned that the Senate had never before attempted to apply its rule in the case of an appointee already installed in office based on the faith of the Senate's initial consent and notification of the President. Again, in 1939, President Roosevelt rejected a similar demand by the Senate, an action that was also challenged.

CHECKS AND BALANCES

Delegates to the Constitutional Convention attempted to compromise numerous issues that arose over the type of government we should have. Some would have vested more power in the President; others would have eliminated the office entirely. Yet, the Constitution with its checks and balances vested great power in the Chief Executive, including the power of appointment but caused the President to share this power with the Senate. The compromise permits a

more flexible and deliberative decision to be made before high officials are actually installed in office. Undoubtedly the Presidential office is the most powerful in our nation but this power is not unlimited. The judicial power has been vastly expanded over the years, possibly to a greater extent than citizens of past generations would have expected. Nevertheless, it can be limited by the Congress. The House of Representatives, still considered the legislative body closest to the people, must originate revenue measures. The Senate acts in the public interest in passing upon treaties and in determining whether to advise and consent to Presidential nominations. Over all, as we review our system of checks and balances between the three branches of the government and their relationship with the states and the people, the more aware we become of the genius of those who provided this system for us.

B-1 BOMBER PROGRAM CANCELLATION: A VICTORY FOR COMMON-SENSE AND NATIONAL SECURITY

Mr. ANDERSON. Mr. President, on June 26, 1977, the Des Moines Sunday Register published an editorial on the B-1 bomber program written by my very distinguished colleague from Iowa, Senator JOHN C. CULVER.

Senator CULVER made a very compelling case against the B-1 program and graphically illustrated the negative impact approval of this program would have had on our national security.

As one who shares Senator CULVER's concern that we not gamble with our future security by spending enormous sums on a single weapons system that was both militarily unnecessary and economically unfeasible, it was most gratifying to see President Carter confirm our judgment by canceling production of the B-1.

Senator CULVER has been the leading opponent of the B-1 because his complete and early analysis led to the logical conclusion that our overall defense posture would suffer greatly if the program was funded. His cogent presentation to President Carter on June 10 of the military and domestic trade offs required to fund this \$100 billion program was apparently a key factor in the President's decision. It was Senator CULVER who sponsored the Senate amendment last year that deferred full-scale B-1 production, thereby reserving the final decision for the incoming administration.

Senator CULVER's leadership on this issue has been singularly outstanding.

Mr. President, I ask unanimous consent that Senator CULVER's editorial be printed in the RECORD.

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

B-1 BOMBER A LUXURY WE CAN REFUSE (By JOHN CULVER)

The B1 bomber would be nice to have. It is a sleek, powerful, beautiful plane. Using the best technology that America's superior aerospace industry can offer, the B1 can certainly fly and maneuver and probably deliver weapons on target. At a cost approaching \$117 million per plane, we would expect no less.

But can we afford the luxury? If the B1 were significantly cheaper or if it were truly

essential to our national security, rather than marginal, there would be little opposition to this program in Congress or among defense experts. It is precisely because the price tag is so high (\$25 billion to \$30 billion just to buy the planes and an extra \$1 billion-plus each year to operate them) and the added advantages of the B1 so few that this plane has become the most controversial weapons program of the 70s.

Never has any major weapon system been opposed by so many ranking defense experts, both hawks and doves. In a letter to me last year, Gen. Maxwell Taylor said: "I am unable to support the B1 program because of its cost and the absence of convincing evidence of its essentiality."

Right now, the United States has a fully adequate force of over 400 long-range bombers. Though our B52 bombers are frequently described as "aging," they have been overhauled, "re-skinned," and fitted with advanced technology components to the point that even the Air Force admits that these planes will be structurally sound for the rest of this century.

Some B-1 advocates fear, however, that the Soviet Union will develop at some time in the future a look-down shoot-down radar (such as we already have in our newest fighter planes) which will enable Soviet planes to intercept the B-52s. At present, there is no evidence that the Russians are developing such a capability. But the real trouble with the argument is it assumes that, if and when they do build the new radar, it will be good enough to stop the B-52s but not the B-1. In essence, the Air Force wants to bet \$25 billion-plus that the Russians will leave open a "magic window" for our B-1s.

So far as the bombers' role in our nuclear delivery capability is concerned, there is a sensible alternative to the B-1 that will perform the same mission adequately without costing so much on a single weapon system as to weaken our overall defense posture. With the B-1s we have already built available for more extensive testing, we can continue the current program to update the B-52s at a small fraction of the cost of producing the B-1s. In addition, we can develop air-launched cruise missiles which can be fired from afar by existing 747-type jets and which thus save us the problems and expense of ensuring crew and plane survivability over enemy territory.

This alternative will preserve our "Triad" of bombers, ICBMs and submarine-launched missiles and will give us the essential advantages ascribed to the B-1.

Since we are so strong in nuclear forces, the B-1 really amounts to extra, unnecessary insurance. But if we are to afford the B-1 within a limited budget, other compelling defense needs will have to go by the board.

Most independent defense analysts believe that our most critical military needs are not for additional strategic weapons, but for improved, combat-ready conventional forces, particularly in Europe. Over the next decade, however, the B-1 budget will be \$2.5 to \$3 billion each year for both new planes and regular operations.

With these enormous sums going for a single program, all other defense activities will necessarily be squeezed. A significant but little-recognized cost of the B-1, therefore, will be the lost opportunity to strengthen our conventional forces.

If the Army, Navy, and Air Force were to split the \$3 billion annual cost of the B-1, each service getting \$1 billion each year, they could acquire tremendous additional combat power. Each year, the Army could buy 200 Cobra-TOW attack helicopters, 500 tanks, and 1,200 large artillery pieces. Each year, the Navy could buy two attack submarines and three guided missile frigates. Each year, the Air Force could buy one squadron of F-15 fighters, one squadron of F-16s, and two

squadrons of A-10 attack planes (all at 24 planes per squadron).

It is unlikely, of course, that such large procurements would be needed every year. The point is that if we proceed with the B1, we will have to forgo other important defense needs. The cost of the B1, by itself, represents a total more than enough to make critically needed improvements in our conventional forces and to provide funding for important domestic programs that are equally important to our overall national security.

If we could cut only one B1 from the total program, that would provide enough funds to operate 1,000 rural health clinics for an entire year. Elimination of a second B1 would finance daily, family-style hot meals for 160,000 elderly people for an entire year under current federal programs.

In last week's Sunday Register, columnist George Will articulately summed up the standard arguments for the B1. But Will's thesis was built on a foundation of assumptions that can't be accepted—notably that there is no less costly alternative and that the B1s would not be as vulnerable to improved Soviet air defenses as the B52s. Above all, he gave no consideration to how the gigantic cost of the B1 program would draw vital funding from other sectors of our defense and domestic needs, thus weakening our national security.

In making decisions on the B1 and other defense programs, we have to balance the needs of a strong defense, a healthy society, and a sound economy. We should buy only those weapons we need, and then be sure we get the capability we pay for.

As I told President Carter when he invited B1 opponents to the White House, it makes little sense to spend so much for planes which would arrive hours after each side had fired its missiles. If the planes could get through and if they could find their targets, they would really serve only to exact post-humous revenue—to make the rubble bounce.

Yes, the B1 would be a nice plane to have. But we don't need it and can't afford it. It is another monument to the raw power of the military-industrial complex about which President Eisenhower so eloquently warned us in his farewell address.

INTERNATIONAL WOMEN'S YEAR ACTIVITIES: WHAT HAPPENED TO CONGRESSIONAL INTENT?

Mr. HELMS. Mr. President, all across our land, women's conferences are being held under the direct planning of the National Commission on International Women's Year—a commission authorized by an act of Congress and funded by \$5 million of Federal tax moneys.

These State conferences will establish the groundwork for resolutions to be considered by delegates elected to the National Women's Conference in Houston, Tex., on November 18-21 of this year. The resolutions passed by the national conference will form the basis for recommendations to the Congress concerning the wishes and needs of the "majority of American women."

The intent of these conferences was made clear during the House debate on the issue in December of 1975, by Congresswoman Bella Abzug, and I quote:

This is the first time that women of every walk of life will have an opportunity to express themselves in a meaningful setting.

[This] National Conference . . . will afford an opportunity for every kind of women, representing every viewpoint, in every State of this Nation to make a statement of her concern.

That, Mr. President, is the reassurance of the woman who now serves as the chairperson of the National Commission on International Women's Year.

Unfortunately, Mr. President, the reality of the situation is quite different. Congress appropriated \$5 million in order to make possible a national forum which could be sensitive to all women, representing all viewpoints.

However, there has been and continues to be a concerted effort to use these conferences—financed by tax dollars—to promote the goals of a militant feminist minority. Of the 42 members of the national Commission appointed by President Carter on March 29 of this year, there is only one who opposes the ratification of the equal rights amendment. There is not a single member who belongs to groups such as Stop ERA, Eagle Forum, or a Right to Life chapter. Not one State coordinating committee is chaired by a member of one of these anti-ERA/pro-life groups. These groups, Mr. President, speak for a large number of women across this country. It goes completely against the intent of Congress that militant feminists should refer to these conferences as "our conferences."

Mr. President, whenever groups representing the traditional values of our society seek to make their opinions known at these conferences, forces are brought to bear upon them which seek to neutralize their voices. The National Organization for Women, the National Women's Political Caucus, and the Lesbian Caucus—just to name a few—have developed a strategy to prevent differing viewpoints from being heard.

Mr. President, I ask unanimous consent that the following letter to the headquarters of the National Women's Political Caucus be printed in the RECORD so that all the women of this country might be aware of the steamroller tactics being employed by a highly organized minority of feminists at these State conferences.

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

[From the National Women's Political Caucus, Washington, D.C., June 16, 1977]

SPECIAL ALERT

To: State Chairs with Upcoming IWY Conferences.

From: Gael Muramoto, Membership Director.

Re: Organizing Feminists to Prevent Anti-ERA, Anti-Abortion Take-Over at IWY Conferences.

Missouri and Ohio have reported that their state IWY conferences were virtually "taken over" by women organized to defeat resolutions supporting "reproductive freedom" and the ERA.

Unless feminists organize prior to the conferences and prepare to work in coalition with a broad range of women's organizations—developing a strategy to defeat the anti-abortion/ERA groups in both the committees and on the floor—the conservative groups may control both resolutions and the election of delegates to the national IWY conference. In Missouri, the anti-abortion voters made a clean sweep, and they elected a large percentage of the delegates to the Houston convention in Ohio.

Previous to their state IWY conference, Arizona feminists were aware of the potential dangers posed by conservative forces,

and were extremely successful in developing and utilizing a strategy which is explained on the enclosed pages. We believe that this strategy, suggested by Mary Peace Douglas of Arizona for use at the national IWY convention, could easily be adapted for use in your state. We hope you will use this information to mobilize feminists and prevent a well-organized minority from representing their views as those of the majority of women in your state.

JUNE 10, 1977.

Ms. AUDREY ROWE COLOM,
National Women's Political Caucus, K Street
NW., Washington, D.C.

DEAR AUDREY: June 3rd and 4th, Arizona held their IWY Conference in Phoenix. A strategy was developed by the Southern AZ women that was exciting and effective. We wish to bring this strategy to Houston with an able woman to implement it.

A little background will be an aid to you. Phyllis Schafley came to Phoenix two weeks before our conference and just after Georgia. AZ has not passed the ERA and Phoenix is one of the most conservative areas of the United States. We assumed Schafley was there to organize and disrupt our conference.

Laura Fahr, a veteran of the Italian abortion wars, explained the strategy and Ely Anderson (past A.W.P.C. Chair from Tucson) volunteered to organize and run the Monitoring and Mobile Operation Partnership Program (MMOPP). A core group of women wore a bright strip on their shoulders—visible front and back—one was assigned to monitor each workshop. If the conservatives packed any workshop that woman quietly left, went to a central location—word was quickly passed and quietly people moved into the packed workshop—thus when a resolution came to a vote, we had the majority. It was simple, effective and it worked beautifully in two important instances. Right to Life tried to pack Reproduction and we were picketed outside the convention hall by Anti-ERAAers. In Reproduction the Right to Choose won the vote. When word of the picketing and news conference came to the organizer of our conference they turned to us for help. Word went out, leaders meet, an ERA Rally was organized (inside), doors blocked to keep our craziest inside, six women chosen to go outside and talk with the press and we went on with our important work at our conference with no disturbance and distraction.

If you in Washington think this is a good idea for Houston, Ely Anderson is willing to organize this on a national scale. Anderson would need the names of one key activist woman from each state. They in turn can I.D. their workers. Anderson will assign to monitor the workshops and locate the key location. We had women from the A.W.P.C., N.O.W., Rep. Women's Caucus, Lesbian Caucus, Minority Caucus and interested friends. It was an exciting bring together of feminists working for a common goal!!! Anderson is coming to Houston as an observer and is the perfect person to take this AZ effort nationwide.

Please advise us of your thoughts on this subject.

Fondly,

MARY PEACE DOUGLAS

MONITORING AND MOBILE OPERATION PARTNER-
SHIP PROGRAM (MMOPP)

(Report submitted by Ely Anderson)

A system designed to prevent a minority faction from taking over a committee or workshop and passing out a resolution which does not represent the majority opinion of conference women. (System used successfully at Phoenix IWY Conference, June 3 and 4).

Props.—One inch wide colored mystik tape (we used red one day and green the

next) Cut in one foot lengths and backed with 2 layers of masking tape for easy removal and sticking. Tape to be applied over the left shoulder and visible front and back.

Bodies.—We had 57 people officially tagged. The coordinator personally chose and assigned a person known to her to monitor each workshop. Each core person was given 2 or 3 extra tags and instructed to give them out only to people they knew well and trusted. Except for one or two "floaters", all tagged people were workshop attendees. They were instructed to be alert for a tap on the shoulder at any time. If they were tapped, they were to leave their workshop quietly and move to the workshop indicated.

NOTE.—After the first session of morning workshops, we saw the need to have a monitor both inside and outside each workshop. This came about because we got excited and "overkilled" the Reproduction workshop. The inside monitor had a legitimate emergency and needed more bodies, we filtered in enough women to take care of the problem, but then another, large group of women were alerted and stormed the workshop. An outside monitor would have been able to divert them, tell them the situation was under control, etc.

Coordinator.—A meeting was held in Tucson 2 days prior to the Phoenix conference. Representatives were there from AWPC, Republican Women's Caucus, NOW, Tucson Women's Commission, Lesbian Caucus, the Minority Women's Caucus was meeting the same night, but was kept well informed of our plans. At this meeting, Ely Anderson volunteered to coordinate the operation in Phoenix. Everyone at the meeting agreed with the strategy and offered to help. We agreed to meet early the first morning in the area of the registration desk.

As it turned out, the main function of the coordinator was to be visible and available in a central location at all times. She cannot attend any workshops, go to the bathroom, get a drink, etc. (Ely carried a purse the size of a flight bag which carried scissors, tape, magic markers, lists of people and times available, lists of workshops and assigned monitors, cigarettes (3 brands), aspirin, decongestants, No-Doz, tampons, a small first aid kit and a large clipboard.) When the coordinator gets an alert from a workshop monitor, she then puts her "floaters" and herself, if necessary, into action and gathers the tagged people from all the other workshops.

Operation.—The coordinator designated a single person as monitor in each workshop. That person was politically aware, able to count noses and divine the movement of the workshop. She/he was responsible for reporting to the coordinator if:

1. She felt the workshop was overloaded with anti's at first count. Response: Coordinator moves in just enough people to counteract throughout the session.

2. She has an anti resolution on the boards, the vote is imminent and she's outnumbered. Response: Coordinator sends out an emergency alert for voting bodies and moves them in fast.

Note.—A refinement of the system would be to have the coordinator know the special interest and expertise areas of her core people, so she could assign the most competent women to the workshops with the most potential for problems.

Afterthoughts—

1. Coordinators or facilitators of the workshops must be good parliamentarians. (The Reproduction workshop would not have been so messy if the facilitator had had the ability and presence to use Robert's Rules.) If we are not able to count on the facilitator, the monitors in each workshop should have a good working knowledge of parliamentary procedure and how to use it in a crisis.

2. Voting rules must be made very clear

at the beginning of the conference. We got a lot of flack during and after the Reproduction workshop about people being able to vote even though they had not attended the whole workshop. We refused to be disenfranchised and continued to maintain that any officially accredited delegate could vote anywhere, anytime. It would help if these rules were set and clearly understood at the beginning. If not, we must have contingency plans.

3. We are also concerned about anti resolutions being brought to the National IWY Conference from various states. Since our system was set up to block those resolutions at the workshop stage, we need to know what the process at National will be (i.e.—will state resolutions go directly to a floor vote or will they be subjected to the same filtering process as done in state conferences?)

4. Finally, we had to deal with a few of our tag people and a number of potentially friendly people who thought our tactics were too blunt and maybe even unfair. My first response was that the U.S. Congress functions on this "call in the vote" system all the time and, secondly, that I'm tired of being a "good sport" and losing. Never give your enemy an even break. This philosophy still has difficulties for many good-hearted women.

THE RETIREMENT OF DR. GLEN WILSON

Mr. CANNON. Mr. President, when I first came to the Senate in 1959, I was honored to be assigned to the then brandnew Committee on Aeronautical and Space Sciences and served on that committee throughout its entire existence. Dr. Glen Wilson was a staff member then and also served throughout the lifetime of that committee.

I cannot tell you how many times through those years that I relied on Dr. Wilson and other staff members of the committee on space matters. I think that the space program and our successful conclusion of the Apollo program to land a man on the Moon was due in large part to the direction received from the Space Committee. Dr. Wilson was a key member of the staff that enabled us to achieve those successes and I, for one, am sorry to see him retire from the Senate at this time.

I am confident, however, that he will continue in his efforts to keep America's aeronautical and space programs strong and I wish him well in whatever endeavor he decides to follow.

THE FUTURE OF BUSINESS AND THE INTERNATIONAL ENVIRONMENT

Mr. ROTH. Mr. President, I call to the attention of my colleagues a significant address by former Secretary of State Henry Kissinger to the Future of Business Conference sponsored by the Georgetown Center for Strategic and International Studies. Dr. Kissinger's acute analysis of future international political and economic trends and the role of American private enterprise in the international arena are an important contribution to our understanding of these issues. I commend his remarks to the Senate's attention and ask unanimous consent that they be printed in the RECORD.

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

THE FUTURE OF BUSINESS AND THE INTERNATIONAL ENVIRONMENT

Address by Hon. Henry A. Kissinger

Ladies and Gentlemen:

No issue is more important to the future vision of international order than the ways in which the world will manage the output and distribution of goods and services. International economics has become a crucial foreign policy challenge. Central to this issue will be the relationship of business to the management of public affairs. I want to thank the Center for Strategic and International Studies for inviting me to inaugurate its Future of Business program.

A generation ago, in the period from the Great Depression to the Marshall Plan, economic concerns were at the heart of international order. The issues which we will face in the decades ahead are at least as urgent and far more subtle and complex. And the most decisive of these issues are at the intersection of economics and politics, of national and international policies, of the public and private sectors. It is essential that both policymakers and businessmen understand these important new interrelationships.

We have come a long way, and very rapidly, to the axiomatic proposition that international business depends decisively on international politics. We have come a long way, that is to say, from the day when Adam Smith could suggest that government should content itself with the modest responsibility of the maintenance of justice and the construction of good roads and otherwise serve mankind by remitting the management of the wealth of nations to the unseen hand of private decision. We have come a long way from the 19th century when the United States accounted for very little in the scale of world economics.

We have come a long way even from the decades between the wars, when we strode big on the world economic scene, participated actively in world economic issues and yet stolidly maintained an isolationist foreign policy in all other respects. We shall never forget the paradox of Cordell Hull championing free trade at the same time that the Congress insisted that we ignore the darkening clouds across the Atlantic.

We have learned that America's neglect of the requirements of political stability was a major contributor to the disasters of the 1940's which shattered the economic as well as the political order. We have understood that a strong American role—political, military, and economic—in world affairs is indispensable to peace, security and prosperity. Enlightened American leadership in international diplomacy is equally vital to world order and to the flourishing of the world economy. A coherent public policy must address with equal insight the requirements of security and the management of the economic system. Thus the future of American business will require the highest degree of sensitivity to the political framework in which it functions and to the great coming changes in the world political process.

The map of the world's economy has changed as radically as the world political map. A generation ago, 51 countries joined to form the United Nations; today the world community numbers nearly 150 nations.

Each country is, or attempts to be, a discrete economic unit, each with its balance of payments problems, its trade policies, its attitude to investment and its hopes and aspirations for a better life for its people. The global economic system has grown massively in scale and complexity.

A generation ago, only one major nation, the United States, had emerged from World War II with its economy intact and flourish-

ing; today, Western Europe and Japan have joined us as major producers of the world's manufactured products and as centers of finance. The Bretton Woods conference established the institutions of an international monetary system after World War II. Today, the colossal expansion of world trade and the dispersal of economic power have compelled major restructuring of that system. Where George Kennan 30 years ago in his seminal "Containment" article could suggest that there were only five small pockets of significant economic activity in the world, today the oil producers have become major contenders in the economic arena, the Communist nations are factors in the world economy, and aspiring economic powers like Mexico, Brazil, and Korea are gaining new importance in world affairs.

Thirty years ago, the Marshall Plan was launched with American resources and European efforts, to rebuild Western Europe from the devastation of war. Today, the experience of the Marshall Plan is clearly inadequate for the vast enterprise of economic development in scores of new nations. In Europe and Japan, the social forms and technical skills of a modern economy were already present, and only capital had to be replaced. Political stability was threatened above all by the gap between expectation and reality. It is now clear that in the less developed parts of the world supplying capital is not enough; there is a desperate need for technology and trained manpower. And the relationship between economic progress and political stability has emerged as anything but automatic.

We are in the midst of a revolution that we have only begun to perceive. The distinguished sociologist Daniel Bell has recently observed that forty years ago the response in every country to the Great Depression was to strengthen the nation state; national government came into its own as the manager of economic and social policy. Today we see citizens in many societies losing faith in the relevance of government to their personal concerns and there are tendencies of fragmentation; at the same time economic problems such as inflation surge across national boundaries and are at the margin of governments' ability to control. Bell observes that the national state has become too small for the big problems in life, and too big for the small problems. We face a pervasive challenge to the adequacy of the institutions and principles by which we have governed ourselves.

The next decade will determine whether the industrial democracies will be able to manage their economic policies and keep social peace in the face of a probably lower long-term growth rate in the 1980's; whether and in what fashion the developing countries will advance their economic, social and political wellbeing, and on what terms of confrontation or cooperation with the West. It is not yet clear what long-term role the Soviet Union, East Europe and China will play in the world economic system. The full implications of the looming energy crisis have yet to work themselves out. We cannot know perfectly how any of these developments will affect political events.

But we can be certain that economics and politics will be closely related, and that American decisions and American leadership, for better or worse, will shape the response of the industrial democracies and thereby of the rest of the world.

Without us there can be no progress; if we fail, we risk recession, confrontation and chaos.

Modern economic history also suggests that the contribution and creativity of the free enterprise system will be central to that response. Wherever countries of comparable resources have run the race together—Austria and Czechoslovakia, West and East Germany, Greece and Bulgaria, South and North

Korea—the economy with a significant private sector has clearly done more in fulfilling the aspirations of its people than its socialist counterpart. The world community cannot ignore the affairs of business if it is successfully to shape a new political structure that serves peace and the wellbeing of mankind. Conversely, the private sector can no longer ignore the political environment if it is to make its contribution to an expanding world economy in which it can flourish.

I would like to discuss a number of current economic issues, drawing attention to their political significance, the imperative of international cooperation to address them, and the role of business in helping to solve them. Specifically:

The common economic problems of the industrial democracies;

The emerging relationship with the developing countries; and

The beginnings of interaction between the industrial democracies and the non-market economies of the Communist world.

THE FUTURE OF BUSINESS AND THE INDUSTRIAL DEMOCRACIES

The future of business is inseparable from the future of industrial democracy. Western Europe, North America and Japan produce 65% of all the goods and services generated in the world. They account for 75% of its trade. Their economic performance drives international commerce and finance; their investment, technology, managerial genius and agricultural productivity are the dynamic force of prosperity everywhere. They are the world's bankers and the world's inventors. Critics of the West, in the Communist world and elsewhere, have disparaged our system for decades, but they have not solved any of their own problems. Ironically they now turn to the industrial democracies for the technology, the techniques of analysis, planning and management, the industrial systems and the marketing skills which their own system seems incapable of generating.

But this relative success story is no guarantee for the future. Realism impels us to note the signs of strain. The political future in several nations of the West may well be clouded by shortfalls in the output of goods and services, or breakdowns of the financial system. In too many countries, demands for real increases in wages, coupled with the insistent pressures to expand public services and public sector expenditures, have generated increasingly complicated inflationary pressures at the very moment when the increase in the cost of imported energy has added its own impetus to both inflation and recession. These demands cannot possibly all be met simultaneously. An attempt to do so is bound to disrupt and ultimately to demoralize the political system. There is a grave danger of an erosion of the legitimacy of government and a prospect of basic changes in the domestic structure in Europe and perhaps even in Japan.

It is not beyond the realm of possibility that one or more of the Communist parties of Western Europe will gain entry into national governments—an event which would mark a watershed in post-war relationships. It is not beyond imagination either, that some nations will find the discipline required to establish priorities among levels of demand too burdensome to permit their continued adherence to the liberal trading system, and that they will instead revert to protectionism and isolationism. Finally, it could happen that because of disparities of growth rates, balances of payments positions and international competitiveness, the momentum of European unification will further decelerate and that the political cohesion of the West in international negotiations and institutions would breakdown.

The consequences for business would, of course, be ominous.

The future of the world economy and indeed of Western political cohesion will depend on the capacity of the industrial democracies to meet these challenges. No one country can hope to address its problems alone. The unity of the democracies, demonstrated in substantive cooperation on concrete issues, is one way—perhaps the only way—to restore the self-assurance of Western societies and their confidence that they are the masters of their destiny. This must therefore be one of the fundamental priorities in our foreign policy, which has been eloquently stated by President Carter at the London summit a few weeks ago.

The United States cannot possibly carry all the burdens, devise all the programs, or provide all the resources, either for international security or for economic development. But the other industrial democracies, who are also our major trading partners, have grown in strength to the point where a sharing of leadership and responsibility becomes both necessary and desirable.

American policy in every administration of both parties for over thirty years has therefore been to encourage Europe's strength and economic and political unity as well as a close relationship with Japan. This solidarity, which began with collective defense, has deepened in recent years to embrace, in addition, common problems of economic policy, arms control, diplomacy to reduce tensions with the East, and initiatives in the dialogue with the Third World.

This cohesion rests not only on pragmatic grounds but on a common moral foundation. It is no accident that our closest partners and interlocutors on every international issue are the countries that share our most fundamental values.

One of the central tasks on the agenda of the industrial democracies must continue to be the vitality of the global economy and the harmonization of growth policies among the economies of the West. Consistent expansion without inflation requires not only sound national policy but an increasing coordination among the nations in the industrial world. We must learn more effectively to synchronize our national decision-making so that national policies can complement and reinforce each other, and not be at cross purposes.

This was the purpose of the economic summit meetings at Rambouillet in 1975, in Puerto Rico in 1976 and most recently in London. This was the task which Secretary Vance pursued last week in the ministerial meeting of the Organization for Economic Cooperation and Development, the permanent economic grouping of the industrial democracies. These were not mere ceremonial exercises. They represented the beginnings of systematic consultation among the economic powers of the free world. We must now consider how we can move beyond consultation to real coordination of growth strategies and of other basic economic policies.

For it is important to face the fact that the industrial democracies have been more effective in devising the procedure than the reality of coordination. They have been torn between the knowledge of interdependence and the temptations of shifting their problems to their partners. They have invoked the rhetoric of cooperation but they have been unwilling to subject what have traditionally been domestic decisions to international agreement. As a result, they have not been able to mount with full effectiveness the coordinated attack on the twin pressures of demand and inflation that must succeed if democracy is to survive. To achieve a true coordination must be a major goal of our foreign policy.

THE NORTH-SOUTH DIALOGUE AND THE FUTURE OF BUSINESS

In the last several years, the poorer nations, in a variety of forums and with varying levels of stridency, have stated their demands for the renovation of international economic relations. They claim a greater voice in the decisions that affect them and a more just share of the global prosperity. The industrial nations, in response, have reiterated their continued commitment to the open system of world trade and investment. As the final ministerial meeting of the Conference on International Economic Cooperation in Paris made clear, the North-South dialogue has so far failed to establish an agreed frame of reference. And it is plain enough that if it deteriorates to a level of confrontation and conflict, the gulf between the rich and the poor will widen ominously.

This prospect would be unfortunate for all. The United States, as the world's strongest economy, would be injured less than others by an environment of hostility and autarchy. But the outbreak of economic warfare between North and South would damage even our own wellbeing. It would be a long-term threat to the open economic system which has nurtured our prosperity and that of the world for a generation. And it would be, as well, incompatible with basic American values and the fundamental American instinct for a world of peace and cooperation.

Although the developing countries would suffer the most, it is their stale rhetoric of confrontation, their adherence to Marxist doctrines that have never worked in countries where they have been implemented, and their insistence on bloc tactics, that are at the heart of the problem.

At the same time, we must be careful to avoid the conclusion that because the developing world is given to overstatement, all its concerns are unfounded. The developing nations do have legitimate demands for equity, for a greater voice and increased opportunity. But they cannot escape the reality that their future depends on the vitality of the world economic system. Attempts to wield bloc economic power, and to frame the issue as one of guilt and retribution, will undermine both the receptivity of governments and the public support which are essential if the industrial democracies are to respond creatively and compassionately to the legitimate aspirations of the developing world.

Overestimation by developing countries of their ability to manipulate raw material prices, following the model of the oil cartel, has been one of the causes of the recent failure of the North-South dialogue. But oil is a special case. It is unlikely that even the most imaginative schemes could alter the long-term market prospects for any other commodity. One basic reason is that the industrialized countries, particularly the United States, Canada, Australia and the Soviet Union, are themselves major producers of commodities like iron ore, nickel, copper, cotton and sugar. In addition, there are technological possibilities for substitution which make it difficult to assert in other commodities the kind of control over supply and price which the oil cartel enjoys.

Thus, it is high time to face the fact that the issue of new market schemes for raw materials will not be determined primarily through economic pressure from developing countries. It will also depend on what happens in the industrialized countries—how private producers or brokers or investors in those commodities react; whether governments on political and moral grounds are prepared to take account of the inequity of excessive fluctuations in prices for countries dependent on a single commodity; and whether the developed nations perceive that they have an interest in proposals which

would stabilize prices around a market trend, avoid artificial limits on supply, and increase new productive investment. Tactics of confrontation are likely to be counterproductive; both developed and developing countries have a major interest in improving the atmosphere of the dialogue, as well as the system itself. It remains to be seen whether their domestic imperatives permit them to do so.

The business corporation which functions across national borders has been at the very heart of the North-South debate. In many developing nations, it is charged with basing production and export decisions on global strategies rather than on individual national interests; it is accused of corrupting life styles toward the wasteful and conspicuous habits of more wealthy societies, of manipulating profits by artificial transfer pricing between subsidiaries, and of suffocating local competitors.

It would be wrong to pretend that there has never been any evidence to support these charges. Some of the criticism has a basis in fact. But many of the critics do so out of a philosophical bias that makes the facts of individual cases superfluous or irrelevant. The distinguished Brazilian economist, Roberto Campos, has called the inflamed rhetoric "escapism and demonology"—escapism, as an effort to externalize the responsibility for poverty; demonology, to lay the blame on the multinational corporation. It is irrational to fear the multinationals for their vast supposed powers of manipulation, when those corporations are far less inclined to such adventures than are governments; with all due respect, they are institutionally and conceptually incapable of managing such efforts consistently or effectively.

Nor have we in our own country settled on a balanced view of how to deal with international business. The revelation two years ago that some firms had made illicit payments sparked a regulatory race between several public agencies to assert jurisdiction and public attention. The destabilizing effects in Japan and elsewhere are matters of historical record. One need not condone bribery or ignore the need to improve international business ethics to prefer a system of domestic business regulation which avoids such assaults on the interests and domestic structures of our closest allies.

The multinational enterprise as we know it today is, in fact, an effective vehicle for the development of science and technology, for the application of new knowledge to the world's resources, for the management of the international capital markets and for the promotion of trade and commerce among nations. No foreseeable increase in public assistance can come close to meeting the needs of the developing countries. Private capital alone can close the gap and without many of the conditions and restrictions that governments are likely to attach. Moreover, no government or group of governments can possibly deal with all of the developing countries. But many developing countries by their own initiative can create conditions to attract private capital whether or not donor governments look with favor on every aspect of their national policy.

Public assistance to development will continue to be important. The flow of resources through the international financial institutions such as the World Bank and IDA, as well as bilateral aid, can and should be increased. The United States has a responsibility to raise its inadequate levels of official development assistance and to remove the encumbrances that successive Congresses multiply.

But it is increasingly plain also that aid cannot be expected to do the whole job. The developing countries must look increasingly to private investment for the capital re-

sources they need for growth. Latin America, for example, has progressed further and faster in the last decade than any other region of the developing world. It has done so while shifting from public to private sources of external capital, and probably for that reason. In the era of the Alliance for Progress in the early sixties, most of Latin America's external capital was public; today, more than eighty percent of it is from the private sector.

To suggest that the nation state lacks the capability to discipline the multinational corporation, by either negotiation, persuasion or compulsion, is a counsel of despair and runs counter to all experience. All developing countries have the power to insure that private business, including foreign private business, comport itself in accord with public priorities. Yet no country can hope for real, long-term growth if it isolates itself from or systematically attacks an instrument so well suited to deal with the commercial, financial and technological tasks of the modern world.

In fact, the conflict over the role of the private business firm in the developing world threatens to turn into a vicious circle. Excessive suspicions of the purposes and policies of the foreign firms treat business as an enemy rather than a collaborator. Managers of transnational enterprises are thereby given an incentive to maximize short term profits and bury income by fictitious transfer pricing.

A serious responsibility thus falls first on business firms and secondly on governments. Business must show sensitivity to the social purposes and political goals of the countries in which it is established. It must represent what is best in America; it must not lend itself to discriminatory practices based on race or religion; its conduct must reflect this country's standards of fair play, honest dealing, and goodwill. It must make a serious contribution not only to the economic but also to the social development of the host country. The few notorious cases of illicit payments have stirred apprehension and undermined support for international business both at home and abroad; they cast a cloud over the vast majority of firms whose conduct is beyond reproach.

At the same time, it is one of the urgent tasks of governments to make clear, on an agreed basis, the groundrules for foreign investment. Developing countries have a right to ensure that private capital is admitted in areas or ways consistent with the national priorities and legitimate regulations of a sovereign government. But investors and the industrial nations have a right to know in advance what the groundrules are, and not to have them altered arbitrarily and capriciously in the middle of the game. Both sides clearly have obligations; both sides can benefit from agreed principles cooperatively achieved.

These agreed principles should focus on the instruments of public policy which can minimize the temptation to collusive market practices. They should strengthen the incentives for multiple firm markets, effective competition, local entrepreneurship, and domestic financial institutions, and lay down clear and predictable guidelines and rules of the road. By turning to these practical steps, we can open up new and important opportunities for transnational enterprises to serve what have become the two commanding concerns of the developing countries—access to capital resources and the transfer of technology.

To an increasing degree, it will be the private firm which will be the vehicle for the technology transfer which the developing world requires and demands. This concept—the quality of capital investment—is a major concern of those developing nations that have already made significant progress and

have become important actors on the world economic scene. Most of the new knowledge, skills and techniques that will be needed by developing countries in the years to come are in the inventory of private industry. The bulk of that technology is in the west. Thus, it is in the interest of the industrial democracies as well as in the interest of the developing countries to enhance the incentive of our private sector to adapt its storehouse of know-how and skills to opportunities in the developing world.

It is clear that the solution to technology transfer will not be found exclusively in the relationship of the private firm to the host country. Governments of the industrial nations must assume a major responsibility. New agreed practices of international cooperation, and new institutions which have the confidence of all parties, are needed to provide a framework of public commitment and private incentive within, which the multinational corporation can make a constructive contribution to development in the decade ahead.

There will be ample room for creative thinking. If I may refer again to the question of raw materials, the dependence of most developing countries on commodity export earnings is painfully obvious. And yet, because of the tensions and uncertainties which attend the question of private foreign investment in new commodity projects, the vast bulk of mineral investments today are being made, not in the poor countries of the world, but in the industrial democracies. If the trend continues over the long term, commodity earnings for the less developed countries will be far below what they might be, and prices will be higher for everyone. We need, not stagnation of investment but policy initiatives to assist the developing countries to mobilize the capital, technology and management skills to produce the commodity resources they have in such abundance.

At the Nairobi meeting of UNCTAD last year I suggested an International Resources Bank, which could act as intermediary or partner with the host countries and foreign investors; there is some interest now in exploring ways in which the World Bank might play that role in a similar pattern of triangular relationships. Whatever the institution, it is important that we search for new ways to reduce the non-commercial risks for resource investment, and thus promote greater flows of investment capital for worthy projects on reasonable terms, in the interests of both producers and consumers.

In this, and in a host of other areas, it is time the world community accepted the legitimacy of private capital flows. Business has an immense future, of opportunity and responsibility, in helping to meet the development challenge. There is no more serious issue for the prospects of private commerce than its role in the relationship between rich and poor in the years to come.

BUSINESS AND OUR FUTURE ECONOMIC RELATIONS WITH THE EAST

New trade and financial relationships with the nations of East Europe, the Soviet Union and the People's Republic of China will also transform the landscape for business in the next several decades. In recent years the Communist countries to a greater or lesser degree have abandoned their traditional insistence on autarchy and begun to move towards greater economic interchange with the industrial democracies. As their economies have become more sophisticated, their demand for consumer goods, high technology, food grains, and a variety of other products has grown comparably.

A rapid and sudden expansion of East-West trade has come about—and a consequent explosion of Western lending to finance that trade. Estimates of the total new debt, public and private, to finance the flow

from the West to the East have ranged from \$27 to \$45 million.

The desirability of East-West trade and its impact on overall East-West relations have been the subject of intense debate. One school of thought holds that trade and finance automatically serve to restrain Soviet policy. Hence the more intense the mutual interaction between the industrial democracies and the Communist nations, the more likely will the Soviet Union show a sense of responsibility in international affairs. The opposing view argues that any trade will inevitably strengthen the Communist economy and ultimately its military potential. Therefore it should be tied to specific conditions, especially the humane evolution of the Soviet domestic system. This was the basis for Congressional action linking Most Favored Nation status to Soviet emigration practices.

I believe both approaches to be one-sided. The relation between increased trade and a responsible foreign policy is not automatic. After all, World War I broke out under conditions of nearly free trade. Only if the balance of power is maintained and Soviet adventurism is resisted can economic relations be expected to have an impact on Soviet conduct. A great deal depends, moreover, on what the trade consists of, what long-term domestic commitments it implies, how opened the nature of the credit, and whether the industrial democracies or the Communist nations would suffer more from its interruption.

Many opponents of increased East-West trade also vastly oversimplify the problem. There is no question that because of the many possibilities or the diversion of resources inherent in the modern economy, almost any kind of trade can indirectly benefit military potential. But this must be weighed against the fact that a carefully and prudently designed trade and credit policy is bound to create vested interests that can act as an incentive for responsible conduct. The balance can best be struck if projects are approved on an individual basis, rather than through open-ended credits, through long-term projects whose possible termination involves a serious cost rather than through the delivery of integrated plants in a very brief period of time.

There is no question that Communist nations are prepared to pay some price for increased trade. But it is important to understand what this price is and not to act as if it could be exacted mechanically in every field by unilateral demand. As a general proposition public concessions are more likely to be obtainable in the field of international conduct, with respect to which foreign countries have a defined interest and legal standing, than with respect to matters traditionally considered the subject of domestic policy.

The following principles should, in my view, guide East-West trade:

1. East-West trade cannot be "free." It must be subject to some political control and some political conditions. All of the industrial democracies have agreed to this principle, though they have applied it with varying degrees of conviction.
2. It is the responsibility of governments to make certain that these controls make sense, that they promote clearcut and attainable objectives both in what they prohibit and what they permit.
3. Uniform standards must be applied by the industrial democracies so that self-restraint in some area by one country does not turn into a windfall economic opportunity for another to the detriment of both.
4. Credits should not be open-ended but tied to specific projects.
5. Projects should be sufficiently long-term so that there is a serious penalty in their termination and they should be decided on the basis of whether their termination is a

greater penalty to the industrial democracies or to the Communist side.

6. Conditions should be related in general to foreign policy actions and not to demands that sovereign nations will never accept as a result of public pressure from foreigners.

Such a strategy requires a high degree of discipline and public understanding. American business must reflect these qualities, which I am frank to say it has not always done. On the one hand many businessmen encourage a rhetorical anti-Communism that seems more concerned with liturgical obsequance than practical achievement. On the other hand they tend to resist—in the name of free enterprise—any attempt to control the level of trade or the rate of credits or to relate them to concrete foreign policy developments. I remember with a well-suppressed nostalgia how the Administration of which I was part, after years of being attacked for "selling out" on the grain deals of 1972, was castigated unmercifully in 1976 for injecting itself into grain sales when it did so for the purpose of bringing about a long-term agreement rather than a one-time sale, and also responsible Soviet conduct in trouble spots such as the Middle East. I hope a more sophisticated approach will be possible in the years ahead.

Equally important is a unified strategy on the part of the industrial democracies. When the restraint of one becomes the windfall of another, it encourages not Communist responsibility but a strategy that divides the industrial democracies and uses their shortsighted obsession with immediate gains to undermine their long-term security. For years there was an intense debate in the United States about extending credits to the Soviet Union, which were never planned to exceed one billion dollars and would have been tied to specific projects and conditions of international restraint. Within two years of the enactment of the Stevenson and Jackson amendments, other industrial democracies had extended open-ended credits exceeding 10 billion dollars.

The need for a conscious and deliberate strategy among the industrial democracies for East-West trade will become ever more urgent as the scale of East-West trade grows. It was to the end of developing a common strategy that in 1976 the United States suggested to the OECD a comprehensive study of the entire East-West economic relationship and its implications.

One result was the agreement that the OECD nations would restrain for one year their temptation to compete on export credit terms. Another result was an OECD study to look into both the economic and political implications of the new trade relationships.

These are questions which require an urgent answer: What are the real sources of financing for East-West trade? To what extent does the increased debt of the East to the West mask payment risks? How do we insure economic reciprocity? How do we prevent dumping and other unfair trade practices? How should Communist countries relate to international economic institutions? Are we now effectively coordinating export policies or are some nations evading the gentleman's agreement? At what point does the West become vulnerable to demands that it extend special favors to East European exports? Will the East European nations argue that they require favored treatment if they are to repay their debts?

What are the consequences to the sensitive political relationship between the industrial democracies and the Soviet Union?

The economic strength of the industrial democracies is one of our greatest assets in relations with the Communist countries. It underpins our military strength as well as the cohesion of the democratic nations. If managed with wisdom and prudence, it also

offers prospects for affecting Communist conduct in a constructive way. But it can also hasten demoralization and confusion if driven by short-term considerations of domestic or national advantage rather than a clearcut strategy. Trade with the Communist countries may be a matter of business, but it also involves international issues of the gravest consequences. How the governments of the industrial democracies deal with this challenge will determine the international environment in which foreign policy as well as private business is conducted for years to come.

CONCLUSION

America's economic vitality is our greatest asset. It is the product of the creative spirit of a free and industrious people and of an economic system that gives opportunity to private incentive. It is the foundation of our prosperity, our military strength, and constructive relationships in a world of peace.

I have discussed some of our foreign policy concerns—the great importance of our economic cooperation with the other industrial democracies, the role of private enterprise in economic development, and the implications of doing business with Communist countries. In every area, political and economic objectives intersect. In every area, private enterprise, with sensitivity to the broad national framework, and by doing what business is good at, can make a vast contribution to the world's welfare and to international peace. It is more essential than ever that American private enterprise understand the political context—not only the political conditions in the host country where it does business, but also the overall framework of America's international responsibilities.

As a nation we must understand that we can neither dominate the world nor escape from it. For the first time in our history we are permanently involved in international affairs.

This is a heavy responsibility, but also a historic opportunity. Our fellow democracies look to us for leadership. Our adversaries watch for weakness or a flagging will, which to them spells opportunity. The developing world needs our assistance, our advice, our understanding and our compassion. This is a challenge that summons the best qualities of Americans—ingenuity, dedication, pride, confidence, and moral stamina.

Much of the world now bears the imprint of the creative American spirit. We have achieved great things, and even greater achievement is needed to master the future. In a world of new complexities and high hopes, Americans can show once again that we will meet our challenges.

Thank you.

UNEMPLOYMENT AND THE ECONOMY

Mr. BAYH. Mr. President, for the first time in nearly 3 years, the unemployment level in the United States has dropped below 7 percent. While the 6.9-percent unemployment rate for May is still too high, this new statistic represents a significant, positive step toward our goal of full economic recovery. We must continue to preserve our Nation's commitment to providing work for all able Americans. Such a commitment stimulates the economy to grow and prosper, without necessarily promoting inflation. In recent months here in the Senate I have joined my colleagues in supporting and passing important economic legislation designed to maintain our fight against unemployment and thereby promote our Nation's economic recovery. In light of the improved unemployment

level, I believe it is appropriate to review this legislation.

I. FULL EMPLOYMENT ECONOMY

Mr. President, I have always believed we must make commitments which are more than just lip service to the concept of a full employment economy. By passing the Comprehensive Employment and Training Act—CETA—extension, the public works employment bill (H.R. 11, P.L. 95-28), the fiscal 1978 transportation appropriations bill and the youth employment and training bill (H.R. 6138), we have put words into action.

The process of putting people back to work is a slow and frustrating one, but it is still the most important economic task facing us today. CETA programs have been a vital step in stemming the ravages of unemployment. Therefore, I voted to extend the authorization of sums as may be necessary for all titles of CETA through fiscal year 1978. In so doing, we have also extended the amendments to title VI made by the Emergency Jobs Programs Extension Act of 1976 which provides that each prime sponsor of a public service employment program may use its allocation, first, to sustain its existing number of public service jobholders under the act, and shall thereafter fill any additional public service jobs with low-income persons. Overall, Congress has increased the number of public service jobs from the current level of 310,000 to 600,000 for fiscal 1977 and 725,000 for fiscal 1978.

The public works employment bill authorizes an additional \$4 billion to extend the program of grants to State and local governments to provide jobs through construction in places with the most distressing levels of unemployment. It will not only put people back to work, but will also create important community facilities which will benefit our citizens for years to come.

The fiscal 1978 transportation appropriations bill, approved by the Senate Transportation Appropriations Subcommittee which I chair, provides funding for several Indiana projects. These projects will create jobs for hundreds of Hoosiers in addition to improving transportation facilities in Indiana and throughout the United States. The Indiana projects include: First, \$4 million earmarked for a rail-highway crossing demonstration project in Terre Haute; second, a \$5.3 million additional appropriation for two access roads to public recreation areas on certain lakes, one of which is Lake Monroe, south of Bloomington; third, a \$2.3 million allocation of funds for the relocation of the control tower at the airport in South Bend and, fourth, a \$15 million appropriation for airport planning grants.

Additionally, of the \$680 million total appropriation for Amtrak operations and capital improvements, \$13 million has been earmarked for the rehabilitation of Amtrak equipment and the conversion of passenger cars to be done at the Beech Grove facilities near Indianapolis.

Youth unemployment, and the frustration and disillusionment it creates among young Americans, is one of the most serious aspects of the overall unemployment problem. The future stability and

health of our economic system rests upon the shoulders of our Nation's youth. So, it is imperative that our society provides meaningful jobs for America's young people.

The youth employment and training bill, which adds a new title VIII to the Comprehensive Employment and Training Act of 1973, creates a National Young Adult Conservation Corps to provide work for unemployed youths in parks and forests throughout the United States. It also authorizes youth community conservation and improvement projects to put unemployed youths to work on the rehabilitation or improvement of public facilities, neighborhood improvements, weatherization and basic repairs to low income housing, and conservation, maintenance, or restoration of natural resources on non-Federal public lands.

The youth employment and training bill is not "make-work" legislation. This measure provides meaningful opportunities on a long-term basis by authorizing support for a broad variety of employment and training programs. These programs are designed to enhance job prospects and career opportunities for young persons, including activities involving useful work experience in community betterment and appropriate training and services such as outreach, counseling, occupational information, institutional and on-the-job training, and transportation assistance.

II. UNEMPLOYMENT COMPENSATION

In addition to supporting full employment, I feel that a part of this Nation's policy on work must concern itself with the necessity of maintaining a viable unemployment compensation system during time of economic difficulty. As we all know, unemployment insurance has been a part of the American worker's life for 40 years now. During that period of time, the system has functioned to provide a degree of financial security to those workers temporarily out of a job. Many families have been spared undue hardships and deprivation by well-administered State unemployment compensation programs.

However, the economic crisis of recent years has placed an enormous burden on the unemployment compensation system. As our Nation moves toward full economic recovery, we must guarantee that the unemployment compensation system meets its purpose. Therefore, I joined my colleagues in voting to extend the Emergency Unemployment Compensation Act to October 31, 1977, in order to provide 13 weeks of emergency benefits in States where the insured unemployment rate is 5 percent or more. This bill contains a phaseout under which individuals eligible before October 31, 1977, may continue to receive benefits until January 31, 1978.

The Emergency Unemployment Compensation Act extension further provides that only those unquestionably in need of unemployment compensation will receive such aid. This measure is by no means a give-a-way to those who are not interested in working.

Mr. President, with the support of my colleagues and the administration, we must maintain our fight against unemployment. The lower unemployment rate

is a promising indication of economic recovery, particularly when we compare it with the 8-percent level in November 1976. Nevertheless, there are still millions of Americans who need jobs. Failure to provide such jobs can and will result in a tragic cost on the unfortunate victims of unemployment. It will also cost our Nation many billions of dollars in income, goods, and services. Mr. President, we must and we will continue to make a meaningful effort to guarantee employment to those Americans, male or female, black or white, young or old, who want and need to work.

THE SO-CALLED YOUTH CAMP SAFETY BILL

Mr. THURMOND. Mr. President, I have had the pleasure to read an excellent analysis of the so-called youth camp safety bill by the eminent author and columnist, James J. Kilpatrick.

Mr. Kilpatrick points out that while such legislation is well-intended, it does significant harm to the principle of federalism and further adds to the power of the Federal bureaucracy at the expense of the States and individual rights.

Mr. President, this excellent column appeared in the June 30, 1977 Washington Star, and I ask unanimous consent that it be printed in the RECORD so my colleagues may have the opportunity to review it.

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

YOUTH CAMPS ARE A STATE MATTER

(By James J. Kilpatrick)

Let me return to the pending Youth Camp Safety Act. The bill came out of the House Education and Labor Committee by a 25-7 vote on May 13; it now rests in House Rules, awaiting a green light to send it to the floor. The bill is a fundamentally bad bill—and the adverb merits emphasis.

Our structure of government rests upon two fundamental principles. One is the separation of powers, which has no bearing here. The other is federalism, which is directly at issue.

This well-intentioned but misguided bill would create a new Office of Youth Camp Safety within the Department of Health, Education and Welfare. The director of this office, with the assistance of an advisory council, would promulgate rules and regulations having the force and effect of law. These rules would be binding upon the estimated 10,500 youth camps across the nation.

The director's authority would include, but it would not be limited to: "personnel qualifications for director and staff; ratio of staff to campers; sanitation and public health; personal health, first aid and medical services; food handling, mass feeding and cleanliness; water supply and waste disposal; water safety, including use of lakes and rivers; swimming and boating equipment and practices; firearms safety; vehicle condition and operation; building and site design; equipment; and condition and density of use."

The committee report gives lip service—but no more than lip service—to the thought that these are primarily state responsibilities. The general idea is that the states are to be encouraged to enact their own laws embodying at least the minimum standards laid down by the federal office. But (and this is the first hooker), any state that failed or refused to enact such legis-

lation would be federally controlled anyhow; and (this is the second hooker), even those states that did comply would remain subject to continuing federal jurisdiction and monitoring.

The bill includes all the usual trimmings: inspectors, reports, forms, statistical data, fines of \$500 to \$1,000 a day for non-compliance, rights of appeal in the federal courts, and so forth. All this elaborate structure is designed to provide campers with safe and healthful conditions free from hazards likely to cause death, serious illness or serious accident.

To return to the main point: The bill falls into a pattern that crops up with ominous frequency in Washington. The wrong-headed theory behind this pattern is that uniformity is good, diversity is bad; federal control is superior, state regulation is inadequate; Congress understands the needs of the people, the state legislatures do not.

We see this pattern in pending proposals for a federal no-fault insurance law. We see it in President Carter's instant registration bill. We have seen it in such areas as occupational safety, clean air standards, and in hundreds of programs requiring matching funds for federal grants in aid. Through this insidious process, the states systematically are reduced to little more than administrative agencies for the exercise of federal power.

It was never meant to be this way. The Tenth Amendment, that great key to the house of our fathers, sets forth the American plan in words that are too plain to be misunderstood and too precious to be corrupted: "The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people."

Surely the power to regulate youth camps could not reasonably be numbered among the powers delegated to Congress by the Constitution.

CHASKA AND WINONA, MINN.

Mr. ANDERSON. Mr. President, earlier this year I joined Senator HUMPHREY in requesting funding for two important Corps of Engineer projects for our State. These projects are in Chaska and Winona, Minn. It is unfortunate that the committee did not include funds for these projects in the bill before us today.

For fiscal year 1978 the corps has the capability to spend \$180,000 to begin planning for a much needed flood control project in Chaska. Most of this community lies in the flood plain of the Minnesota River and two creeks flow through either end of the city making this area particularly vulnerable to high water flows. The city has been partially protected by a levee, however, it is difficult to tie either end of this existing levee into high ground.

A study conducted by the St. Paul Corps of Engineers District in September of 1972 recommended construction of a creek diversion for Chaska Creek, a flood bypass for East Creek and levee upgrading along the Minnesota River. I will continue to work with this community until their efforts to protect themselves from flood damage is realized.

The Winona project has already undergone preconstruction and engineering specifications and is awaiting construction grant funding. Stage I of this project was completed in the spring of 1967 and stage II, authorized in 1971, is all that is needed to complete this project.

This community needs this permanent dike system to protect themselves from flooding. Since 1965 the city has incurred expenses of \$2,300,000 fighting floods with temporary dikes. This community needs this \$3 million for a construction grant which the Corps of Engineers is prepared to give.

I realize that the Senate Appropriations Committee has accepted the administration's position to authorize no new construction starts for this fiscal year. Quite frankly, I do not concur with this decision. While I agree that careful consideration should be given to reviewing each project, I believe that clearly there are some construction starts which are worthy of funding. In my mind, Winona is just such a project.

ROLFE NEILL SOUNDS ALARM ON SOCIAL SECURITY

Mr. HELMS. Mr. President, I am confident Senators will be interested in two timely and important articles on the plight of our social security system, which recently appeared in the Charlotte Observer. The author, whom I have known personally for many years as a friend and as a distinguished newspaperman, is Rolfe Neill, publisher of the Charlotte Observer.

Rolfe has performed a valuable service by addressing himself candidly and openly to a subject that has traditionally been regarded as taboo in American politics. For many years, anyone who even hinted that the social security system might be in financial difficulty was promptly characterized as an opponent of the System. But this is no longer the case. Rising payroll taxes and a huge, long-term deficit that can no longer be ignored have led an increasing number of citizens to conclude that social security is in urgent need of basic reform. Patchwork changes will not solve the fundamental problems which plague the system.

Over the past four decades, the social security system has served us well by providing income security to the elderly. But the system, which was designed long ago, has not kept up with rapidly changing economic, social, and demographic conditions. Since 1935, dramatic changes have taken place in American society. Every year, more and more Americans are opting for earlier retirement; the life expectancy of the elderly has increased; and there has been a sharp decline in the birthrate.

Developments such as these have placed a severe financial strain on the system. As the ratio of retired persons to workers continues to increase, the deficits continue to mount. In 1976, social security ran up a deficit of \$3.2 billion. Unless a number of major changes are made, the social security system will be in a state of chaos within a few years.

Mr. President, it is time to talk freely, openly and honestly about social security. For too long, politicians have manipulated the system, ignoring Franklin Delano Roosevelt's admonition that social security must not be converted into a political football. As Mr. Neill correctly observes:

The politicians are the people who voted us into this.

Now we must put our heads together and make some difficult decisions—decisions based not on political considerations but the best interests of American people.

Mr. President, Mr. Neill's excellent articles are sure to stimulate the kind of public discussion of social security that is so sorely needed. The American people deserve to be told the truth. 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:

DADDY CUSSED FDR—UNTIL (By Rolfe Neill)

Daddy always cussed President Roosevelt. It had to do with my father's opinion that FDR practiced tomfool economics. FDR wanted to take from the rich (anybody working) and give to the poor. Daddy thinks most folks are poor by their own hand. He sees no need to encourage indolence by rewarding it.

His gripe with FDR started in the '30s. He saw his president taking citizens such as himself and turning them into economic serfs. FDR sought to make workers government slaves, producing tax dollars. He would take their dollars and give them to folks who didn't work.

This boiled my father. He didn't mind working 12 or 14 hours a day to put bread on our table. Some weeks it was seven days. He paid every debt he ever owed, even though some took years. He sent money in to Uncle Sam but never took any of his handouts. He is the most impoverished Republican I know. To this day he looks on government as The Enemy.

ATTACKS DIMINISH

After FDR died in 1944 Daddy's attacks on him became less frequent. Sometimes we would go for a week without Daddy growling about how President Roosevelt had set America on a course of ruin.

But he continued to cuss Social Security. To Daddy, that was one of the harebrained schemes ever concocted. Why, if a man wanted insurance let him buy some. If not, then suffer the consequences.

The economic system was not overly generous to my father. He struggled on with long hours and not too much pay. He was happiest finally when he went into business for himself and could work even longer for even less. But at last he was The Boss. Some fellows want to be independent. They usually register Republican.

Many of Daddy's family were schoolteachers, gentle folks who taught in Lincoln, Iredell and Rowan Counties. And most were Democrats. Only Aunt Ethel do I remember as a Republican. She and Daddy would meet at my Grandmother Neill's in Mooresville. They would begin talking about President Roosevelt. His wickedness was so monstrous that I thought surely Dr. I. N. Kennedy would pray for him publicly from his ARP pulpit that Sunday.

DAY HE STOPPED

Aunt Ethel is dead but Daddy cussed Roosevelt right on into the 1970s. I can remember the day he stopped, or at least paused. It was the day that first Social Security check for \$234.70 arrived. At last, thought Daddy, I'm getting back a little for what FDR took away from me.

Well, Daddy, you're right on principle but wrong on facts. You're not getting back what you put in. You and millions of other Americans don't really understand how Social Security works. You see, the money you put in

has long been gone. The \$234.70 you're getting every month is coming from the money I put in.

Social Security was set up so that it would pay out each year most of what it takes in. The hullabaloo right now is that it is paying out more than it takes in. In other words, it has at last achieved the same status as the remainder of our government.

Where does it make up the difference? From a surplus fund of a few dozen billions. That slopover fund means that when Social Security income misses a few billions then SS simply reaches into that reserve.

The problem is with the current rate of Social Security taxation vs. benefits. What they take from my paycheck—equally matched by my company—is not sufficient to meet the \$234.70 a month you're getting. Nor will it be next year nor the next. Soon the surplus will be gone. Either you have to get less or I and/or my company must pay more.

THIRD SCHEME

Oh yes, there's a third scheme. That's to take some of the money from the income taxes I pay and shift it over to help cover the shortage in your \$234.70 check each month.

President Carter wants to do all three:

Take more from me.

Take more from my company.

Take money from my income taxes to shore up Social Security.

This third idea really is FDR tomfool economics, Daddy. That would be borrowing from a deficit to pay a deficit.

And why is Social Security paying out more than it's taking in? Tomfool economics by current politicians. They upped benefits without raising taxes enough. And when they tried to correct for inflation they did it twice. Aunt Ethel wouldn't have needed a desktop calculator to tell you what was going to happen after that.

\$34,000 A MONTH

(By Rolfe Neill)

So Daddy is getting this \$234.70 a month Social Security payment never dreaming that one of Uncle Sam's checks could bounce. Well that's the direction it's headed.

If you think it's bad now, inquire into the future. The folks responsible for the integrity of the Social Security system have done that. They say if things keep on as they are that in the year 2050 your average benefit will be \$34,000 a month. That's right, \$34,000 a month.

And the average individual wage subject to Social Security tax will be in excess of \$50,000 a month. You can imagine what the price of a loaf of bread will be.

THREE VIEWS

Calculations were made last year by the Social Security trustees. They made three estimates (pessimistic, middle range, optimistic) of influential factors. These were the middle range estimates that lead to the \$34,000 a month Social Security check:

Wage increases will fluctuate between 9.4 per cent and 6.7 per cent a year until 1982. Then they will average 5.75 per cent for the remainder of the 75 years.

Price increases will drop from 6.3 per cent in 1976 to 4.5 per cent in 1981. Thereafter they will average 4.0 per cent a year to 2050.

The average woman will have 1.9 babies for the 75 year period.

As explained last week, there is no money saved to pay Daddy's \$234.70 a month Social Security such as there is to pay off insurance claims. Money taken from your paycheck this year finances this year's benefits to retired folks. But people are living longer. As birth rates decline, we'll also have less workers.

Put it this way: Today 100 workers carry 32 beneficiaries on their backs. By the year 2035 each 100 workers will have 52 benefi-

claries to support through Social Security taxes.

IN HOLE NOW

We're in the hole now. This year we'll pay out more than we take in. The relatively small SS surplus will be exhausted in a few years.

So how do we get out of this mess? To avoid catastrophe will require a combination of some of these unpleasant options:

Recognize there are no free lunches. The only place to get Social Security money is from you and corporations.

President Carter wants to take Social Security money out of the income tax fund. That's already in a whopping deficit and has been for most of the time since the 1930s. Judgment Day is coming on that one, too.

Reduce future Social Security benefit increases.

Increase the amount of SS taxes paid by you and your company.

Reduce government expenditures elsewhere so that money freed by lowered income taxes could be partly used to increase the Social Security tax.

Instead of encouraging people to retire earlier, require them to work longer before becoming eligible for Social Security. Delaying a new class of SS check cashers by setting retirement at 66 or 67 or 68 would inject enormous extra sums into the system. This money could help eliminate the deficit which, based on current rates, will become acute 35 years from now.

Remove this year the deadly flaw in the benefit formula. Congress meant to correct for inflation but instead corrected twice, causing benefits to jump more than 25 per cent in three years. Congress should act on this immediately.

Easy choices aren't available. It's your Social Security check that's at stake. It's your government. It's your taxes. You better let your man in Washington know what you think.

TAKE EASY WAY

Remember, the politicians are the people who voted us into this. As long as they think you don't care, they'll leave it fouled up. Given a choice between unpopularly correcting a wrong and procrastinating in its continuance, most politicians take the less offensive way.

There is much more incentive for you to get it straightened out than there is for them. After all, the pension system for Washington officeholders makes your Social Security check look like a kid's allowance. Of course, you pay the retirement benefits, too.

But all this is what I think. What do you think? Drop me a line.

JUVENILE JUSTICE: AT THE CROSSROADS

Mr. BAYH. Mr. President, I wish to bring to the attention of my colleagues an honor bestowed on our distinguished colleague from the State of Maryland (Mr. MATHIAS) who was recently chosen to receive the "Maryland Service to Youth Award," at the annual meeting of the Jewish Big Brother League.

When I became the chairman of the Subcommittee To Investigate Juvenile Delinquency in 1970, Senator MATHIAS shortly thereafter became the ranking minority member of the subcommittee and over the years our distinguished colleague has fought side-by-side with me to assure that the rights of our young people and the prevention of juvenile delinquency becomes, in fact, "the Federal priority." Clearly, Congress has worked diligently over these past 7 years to assure the Federal Government's com-

mitment to a national policy of juvenile delinquency prevention as set forth in what has been called "landmark legislation," the Juvenile Justice and Delinquency Prevention Act of 1974. I was proud to sponsor and lead the bipartisan Senate effort along with the Senator from Maryland (Mr. MATHIAS).

Mr. President, this body has recently given unanimous approval to a 3-year extension of the Juvenile Justice Act, which has the concurrence of the House of Representatives. I am pleased to announce that the Senate-House Appropriations Conference has recommended that \$100 million be appropriated for the Juvenile Justice Act for fiscal year 1978.

The President and the Attorney General have also expressed their firm commitment to juvenile prevention and their clear endorsement of the Juvenile Justice and Delinquency Prevention Act of 1974. For one who has struggled to establish this priority—unsuccessfully with the former administration—this endorsement is indeed sweet music.

Mr. President, I wish to call on my colleagues to join with me in congratulating our colleague, Mr. MATHIAS, on his receipt of the Maryland Service to Youth Award. Further the Big Brothers deserve our congratulations for their strong support—the citizens participation so necessary in carrying out the mandates of our Juvenile Justice Act. The Big Brothers have been responsive to the need for meeting the crisis of our homeless, abused, neglected, and delinquent youth by providing needed services for those young people.

Mr. President, I ask unanimous consent that "Juvenile Justice: At the Crossroads," a talk by Senator MATHIAS at the annual meeting of the Jewish Big Brother League, Inc., be printed in the RECORD.

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

JUVENILE JUSTICE AT THE CROSSROADS

(A talk by Senator CHARLES MCC. MATHIAS, Jr., to the annual meeting of the Jewish Big Brother League, Inc., Baltimore, Md., May 10, 1977)

I am very proud to have been chosen to receive the Big Brothers' Maryland Service to Youth Award. But, there is not a single Big Brother here tonight who doesn't deserve the award more than I do.

As a United States Senator, I am in a position to help legislate for a more humane and constructive juvenile justice system. I can press for adequate funds for juvenile delinquency and crime prevention. But, it is you, Big Brothers, who are the real heroes in service to youth.

If you don't believe me, let me read you some testimony taken during the hearings the Senate Subcommittee to Investigate Juvenile Delinquency held last summer here in Baltimore. I chaired those hearings, as ranking minority member of the subcommittee, and was especially moved when an 18-year-old former delinquent told us:

"I come from a pretty high crime area and there is just nobody to talk to. You don't have a father or anything. They don't have Big Brother programs in the community or anything like that."

How's that for a spontaneous and unrehearsed commercial? That boy never had a Big Brother and I don't think he'd ever even

met one. But, he knew that things might have been different for him if he had had someone like you to talk to.

So, tonight as I accept this award, I do so only as a surrogate for the Big Brother themselves.

Now, I would like to talk to you a little about our juvenile crime problem and about our juvenile justice system.

Young people from 10 to 17-years-old make up only 16 percent of our population and yet they account for more than 45 percent of those arrested for serious crime. That's a terrible thing to think about. It means that school children, or children who should be in school, are responsible for almost half of the serious crimes committed in this country.

There are even worse things to think about. For example:

Crime by youngsters 10 to 14-years-old increased 300 percent nationally in the 1960's and is still on the rise;

Last year almost 60 percent of all criminal arrests involved persons 22 or younger;

In Baltimore, 52 percent of those arrested for robbery in 1975 were under 16-years-old;

In Anne Arundel County, juvenile crime more than doubled over the past several years;

Some Maryland youths are arrested 25 times before they reach voting age; and

Nationally, the rate of recidivism among offenders under 20 is estimated to be well over 75 percent, by far the highest rate for any age group.

What do these statistics tell us? Obviously, they speak of the shortcomings of our juvenile justice system in preventing juvenile crime and in treating youthful offenders. But, many other factors also contribute to the rise in juvenile crime. Among them are the disintegration of the family unit, lack of community concern, soaring youth unemployment rates (especially among minority youth) and drug and alcohol abuse.

It is our juvenile justice system, however, which treats the nonviolent, troubled youth too harshly and the serious delinquent too leniently, that bears the brunt of public criticism. The rise in violent crime—up more than ten percent in 1975 (the most recent year for which complete figures are available)—and the fact that kids 18 and under account for 43 percent of those arrested for violent crime, have provoked an intense debate over how we dispense juvenile justice.

Our present juvenile court system dates back to 1899 when reformers, disturbed by the brutalizing and corrupting influence of adult criminals on adolescents, succeeded in establishing in Chicago the first separate juvenile court. By 1910 a separate court system for juveniles had been adopted nationally.

Today, public apprehension about the increase in violent crime among juveniles and our seeming inability to reverse this trend, has triggered demands for a "get tough" policy against juvenile delinquents. Some advocates of this approach would abandon our separate justice system and take us back to the pre-1899 pre-reform system, where adults and juveniles shared the same courts and the same jails. A simplistic statement of this point of view is that: if you're old enough to commit a serious crime, you're old enough to receive serious punishment.

Now, I too am deeply concerned over the obvious failures of our juvenile justice system. Our federal government after all was established to safeguard certain rights and to perform certain functions. One of these was "to insure domestic tranquility." I believe government must do that.

Today, we have precious little domestic tranquility. Crime haunts the inhabitants of our inner cities and it licks hungrily at our suburbs; our elderly withdraw into isolation rather than risk assault on the streets, and shopkeepers and householders alike arm

themselves against intruders. Civilized people simply cannot live this way.

Public outcry over violent crimes perpetrated by adolescents cannot go unheeded. We must develop a criminal justice system that is effective in dealing with those youthful offenders who should be removed from the community for society's sake as well as for their own. Such persons must recognize that swift and certain punishment is inevitable if they transgress the law. We must reduce the juvenile's contempt for the juvenile court where it has been too easy to beat the system and emerge unscathed.

But, granting the need for reform and I do, we must not be traduced into exposing serious juvenile offenders to the possibility of incarceration in adult correctional facilities. An approach which would send troubled impressionable children to jails and prisons with hardened adult offenders cannot be the right answer.

Our prisons—over-crowded and under-funded—are graduate schools in crime, pure and simple. As my colleague Senator Bayh, former Chairman of our subcommittee, has said:

"A juvenile justice system that resorts to incarceration, masquerading as rehabilitation, serves only to increase the crime rate by providing new students for what have become institutionalized schools for crime. What is needed is an approach that concentrates on producing productive citizens."

I concur wholeheartedly.

One of my great fears is that public frustration and outrage over juvenile crime rates and widespread advocacy of a "get tough" policy will work together to undermine the Federal government's commitment to a national policy of juvenile delinquency prevention as expressed in the Juvenile Justice and Delinquency Prevention Act of 1974 which I co-sponsored.

Given our limited resources, we simply cannot afford to put our main emphasis on locking up violent young offenders. No matter how politically popular such an approach might be, it will only create more problems than it solves. None know better than you do how great the chances are that the troubled youth we ignore today will become tomorrow's violent offender.

Right now 40 percent of the youth caught up in our juvenile justice system are status offenders. They're guilty of nothing more than truancy, incorrigibility or running away. Yet these kids—and 70 percent of them are young women—often end up in prison. Our subcommittee heard testimony that more juveniles guilty of status offenses wind up in juvenile institutions than those convicted of criminal offenses. Here are the figures on that:

25 percent are incarcerated for status offenses;

18 percent for minor offenses;

23 percent for serious crime; and

Status offense juveniles also spend more time in institutions than those who have been found guilty of serious crime.

This is not only a shame. It is a terrible waste of money. Former Senator and now Representative CLAUDE PEPPER gave a very lively and interesting presentation to the Judiciary Committee last year on the high cost of incarceration. Let me read some of it to you:

"For what it costs to keep a youngster in a training school you can send him to Phillips-Exeter Academy, have him in individual analytical psycho-therapy, give him a weekly allowance of between \$25 and \$50, plus a full clothing allowance. You could send him to Europe in the summer and when you bring him back still have a fair amount of money left over."

In Maryland it costs the taxpayers about \$10,000 a year for every individual incarcerated. That's a lot of money.

So, in my view, it's neither economically feasible nor morally defensible to turn to crime programs dictated by a "get-tough", "lock-em up" attitude. Admittedly there are no easy solutions to reform of our juvenile system. It is always difficult to find a balance between protecting the public and providing our troubled youth with a chance to live productive, non-criminal lives. But we must never stop looking for that balance.

One important contribution the Congress can make is to see that federal funds for juvenile justice programs are made available to the States in a coherent and consistent way. To that end, I am co-sponsoring with Senator BAYH the Juvenile Justice Amendments of 1977 (S. 1021) which will extend and strengthen the office of Juvenile Justice in LEAA and which authorize \$1 billion over the next five years for juvenile justice programs. That is a lot of money but in view of the magnitude of the task confronting our states, we can do no less. It seemed to us that, if the States could count on additional money provided in a stable, continuous way, then they would have some hope of realizing the objective of the 1974 Juvenile Justice and Delinquency Prevention Act: to make prevention of juvenile crime a national priority. These funds would help local communities develop and sustain the innovative new approaches necessary to help juveniles in trouble and to keep them from getting into more trouble.

But no amount of delinquency prevention programs can accomplish this objective if there are no jobs for these youths. According to the official Bureau of Labor Statistics figures for the first quarter of 1977:

17.5 percent of white teenagers are unemployed (up one percent over the first quarter of 1976);

42.3 percent of black teenagers are unemployed (up 2.3 percent); and

The overall figure for teenage unemployment is 19.6 percent which is 12.3 percent higher than the total unemployment figure.

As Peter Edelman, director of the New York State Division for Youth, points out: "Where there are no jobs and where there is no hope for jobs, there will be more crime."

So, unless we move decisively to provide jobs for these teenagers, we might just as well save our money on delinquency prevention programs.

I attach such a priority to this that I went to some lengths to see that my Employment Resources Act of 1977 was the first piece of legislation in the 95th Congress so that a bill addressing our number one priority would bear the number S. 1.

This bill would establish a National Youth Service to employ young people between the ages of 16 and 24 in projects to restore and improve their own communities. With so much to be done in our cities—rehabilitation of housing, park improvement and other community projects—it is intolerable not to link those who need work with the work that needs doing. Until we have the sense to do that, street crime will continue to menace us all, and our cities' downward slide will continue.

S. 1 would also significantly expand the Youth Conservation Corps—today's watered-down version of the 1930's Civilian Conservation Corps. It would convert the present corps from a summer and to a year-round program that could ultimately employ 300,000 young people from low-income families on environmental projects on state and Federal lands.

The glaring needs of our cities are matched by the improvements we could make in our environment. My bill simply asks the question: "Why can't we let our young people—who will inherit this land—find work in preserving it?"

But, despite the importance of the Federal

government's role in the overall effort to prevent and control juvenile crime and to stimulate jobs programs, juvenile crime prevention is essentially a local problem. No amount of Federal involvement can substitute for the active and concerned participation of parents, neighbors, schools, local law enforcement agencies, juvenile courts and local rehabilitation programs.

Col. Bishop Robinson of the Baltimore Police Department hit the nail on the head when he told my subcommittee that:

"Crime prevention is a total community responsibility and it necessitates the involvement of the total community . . . our social institutions must fulfill their responsibilities and not abdicate their responsibilities to the police."

Clearly, we must all become involved if we are to realize the full potential of our greatest national asset: our young people. The example you set as Big Brothers is a beacon to all who care about America's future. I salute you for the work you have done and for the work that you will do with your little brothers. I am honored to be honored by you.

A NEEDLESS DIVESTITURE

Mr. HATCH. Mr. President, several days ago I addressed this body concerning the Federal Trade Commission's action requiring divestiture of Peabody Coal from Kennecott Copper Corp. At that time I condemned the FTC's ruling as irrational, unjustified, and counterproductive to the needs of this country and to the goals of increased domestic energy production. I pointed out that the FTC decision was without precedent and represented an extreme and unwarranted expansion of the previously accepted definition of anticompetitive corporate acquisitions. The actual result of the FTC's action will be reduced competition by paralyzing a coal industry leader, Peabody Coal Co. And the final divestiture plan, recently approved by the FTC, will turn Peabody Coal over to a consortium of industry giants, several of whom have interests in coal which are every bit as great as the small holdings Kennecott had prior to its acquisition of Peabody.

I am pleased to note that others have observed the senselessness of this situation and share my concern. The retired president of Occidental Petroleum Corp., William Bellano, recently spoke to the convention of the Utah Banker's Association at Jackson Lake, Wyo., and commented on this needless divestiture. I ask unanimous consent that a newspaper account of Mr. Bellano's remarks which appeared in the Salt Lake Tribune be printed in the RECORD.

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

EX-PETROLEUM FIRM PRESIDENT RAKES AGENCY FOR FORCING PEABODY SALE

MORAN, WYO.—The federal government was stupid and narrow-minded in its decision to force Kennecott Copper Corporation to sell Peabody Coal Co., the retired president of Occidental Petroleum Corp. said here Wednesday.

William Bellano, who is also chairman of the Island Creek Coal Co., spoke on the future energy outlook during the final session of the Utah Bankers Assn. convention.

Mr. Bellano, in response to a question, said he believed the government's action in forcing the Peabody sale was the result of a

grudge by members of the Federal Trade Commission.

SHUTTING DOWN PLANTS

"In 1965, our company purchased the Heiner Coal Co. and Kennecott purchased Knight Ideal with the idea of shutting down the plants to keep the price of oil down," Mr. Bellano said.

"Then, when Kennecott bought Peabody Coal, staff members of FTC expressed concern that Kennecott might get into the coal industry. Kennecott went ahead with the sale without approval, because at that time the FTC had never stopped a transaction for that reason.

"I believe that the commission never backed down because of a grudge against Kennecott for not waiting for approval," he said.

Mr. Bellano said the \$1.1-billion sale of Peabody to a consortium of companies, including mining interests, was a "giveaway."

BORROWED REST

He said that the consortium was allowed to put up \$200 million of equity and borrow the rest.

"And," he said, "that consortium has just as much potential to get into the coal industry as Kennecott Copper had. It was a dangerous decision because it laid down precedent that if you have the potential or assets to get into an industry, you can't acquire property."

Mr. Bellano said Utah is blessed with energy resources. The problem facing Utah and the rest of the western states, he said, is to find large markets.

"Western coal," he said, "has less sulfur content than eastern coal, therefore it has cleaner production than the coal in the East."

Mr. Bellano said that companies still must use costly desulfurization equipment regardless of coal quality.

TRANSPORTATION COSTS

"And the transportation costs are so great that it is cheaper for eastern states to look for coal in their own areas," Mr. Bellano said.

He added that environmental and social considerations presented a problem for the shipment of western coal. "Colorado, for example, is considering limiting the amount of coal that can be shipped through that state in railroad cars," he said.

Mr. Bellano also said that while coal is the most abundant energy source, it will still not completely replace oil and gas. He said that utilities are allowed to pass increased oil and gas costs onto their customers so it's cheaper for them to stay with the more expensive fuels than to install clean-air equipment required with coal production.

Mr. HATCH. Mr. President, I would also call the Senate's attention to a related article appearing in the July 4, 1977, issue of *Business Week*. The column examines several aspects of the consortium which the FTC has sanctioned as the purchaser of Peabody, including its chief executive officer who is the former Chairman of the Securities and Exchange Commission, Roderick M. Hills. I have been somewhat puzzled as to the preferential treatment the Newmont consortium appeared to be receiving from the FTC as it went about acquiring Peabody, and the "in-the-bag" attitude which seemed to surround the acquisition. No longer. The contacts put together by the new "owner" appear sufficient to overcome any problem at the FTC, including the fact that the new "purchaser" is in the same position for which the FTC found Kennecott "guilty" and ordered divestiture. I ask unani-

mous consent for the *Business Week* article to be printed in the RECORD.

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

WHAT AWAITS HILLS AT PEABODY

At 8 a.m. one Sunday about a month and a half ago, Travis E. Reed, a former Assistant Commerce Secretary in the Ford Administration, got a telephone call from Roderick M. Hills, a former chairman of the Securities & Exchange Commission. "What do you think of the coal business?" Hills asked. "It's a great place to be," replied Reed, a longtime Hills acquaintance who has coal-mining interests. "Well," said Hills, "it appears I'm going to be in it and I would like your help.

This week, Hills, who recently agreed to become chairman and chief executive officer of Peabody Coal Co., was touring Europe with his family in a newly purchased Mercedes while Reed—as a senior consultant and Hills's "alter ego"—was entering his second week of analyzing the St. Louis-based coal company. When Hills returns from his vacation next month, Kennecott Copper Corp. should have completed sale of the domestic operations of its Peabody Coal subsidiary to Peabody Holding Co., a six-company consortium formed by Plato Malozemoff, chairman of Newmont Mining Corp. Shortly after that, Hills, 46, will be installed as the top man at Peabody, charged with revamping the biggest of U.S. coal companies.

Talent hunt. After fighting for years to overturn a Federal Trade Commission order to divest itself of Peabody Coal, Kennecott last October agreed to sell the domestic operations to Peabody Holding for \$1.1 billion and the Australian operations to Broken Hill Proprietary Co. for \$100 million. Ever since, the holding company has proceeded on the assumption that Peabody Coal was in the bag. Because Peabody Coal faces a diversity of problems that involve productivity and government regulations, says Malozemoff, "we really needed a very broad-gauge sort of man as chief executive officer [for Peabody Coal]."

The group looked at a dozen candidates on the "Washington scene" and settled on Hills, an attorney who, before his stint at the SEC, directed a major corporate overhaul at Republic Corp. The holding company's shareholders include Newmont (with a 27½% interest), Williams Cos. (27½%), Bechtel (15%), Boeing (15%), Fluor (10%), and Equitable Life (5%). The initial approach to Hills was made by George P. Shultz, both Labor and Treasury Secretary under President Nixon and now president of Bechtel. That led to a New York meeting between Hills and Malozemoff. The two agreed about management style and Peabody Coal's future direction.

Earnings decline. Hills, who will reportedly be based in Washington, is taking over a company with an erratic earnings record. Last year Peabody Coal's net income fell 24%, to \$30.8 million, on record sales of \$849 million. However, the net income includes \$17 million from Peabody Coal's foreign operations as well as dividends, interest, and the proceeds of a land sale. Actually, the domestic operations only broke even.

Since the corporate shareowners are ponying up \$200 million in equity capital for Peabody Holding, Hills can expect them to be watching over his shoulder. As Malozemoff puts it, "we are seeking a pretty much autonomous management, subject to the board, of course." Reed notes that Hills "is sensitive and quiet but with a will of iron, and that's what it will take to deal with this consortium."

Peabody Holding's owners are already working to Hill's benefit. In developing a long-term strategy for Peabody Coal, for example, studies done by Bechtel on future de-

mand for coal-fired power plants are being factored in; Peabody Coal is the biggest supplier of steam coal to utilities. And such powerful backers will come in handy when Peabody Coal, which the purchase deal will leave highly leveraged, seeks additional financing. The holding company is borrowing \$500 million long-term and will issue \$400 million of 30-year income notes to finance the purchase. "The Peabody groups knows that they will have to put in capital above the purchase price," says a source close to the negotiations.

Long-term contracts. Peabody Coal has been boxed in by long-term supply contracts at a time when mining costs have skyrocketed. The 1969 Mine Safety Act has sharply cut productivity—from 2% to 10% at Peabody's open-pit mines and 18% to 32% at its underground mines—while costs of new mining equipment have jumped dramatically. "Peabody is able to pass through about 60% of the cost increases but is absorbing the rest," says Reed. Peabody last year averaged only \$11.20 per ton for its coal vs. the spot market price of \$14 to \$17.

With 9.2 billion tons of reserves, Peabody Coal hopes to cash in on President Carter's push to double industrial coal consumption by 1985. But, says Reed, "I don't envision Peabody Coal being significantly changed for a considerable period of time—the company is too big and has too many problems."

BAYH REQUESTS PRIVACY INFORMATION FROM ATTORNEY GENERAL

Mr. BAYH. Mr. President, I recently noted with some concern the Federal Bureau of Investigation's proposal to establish a computer system which would give the Bureau the capacity to become a centralized message switching center for local and State police agencies. While the need for accurate and quickly retrievable information to apprehend and convict criminals is obvious, I feel troubled by the potential dangers this new message switching system might have in terms of our privacy rights.

During my service in the Senate, and particularly as chairman of the Subcommittee on the Constitution, I have viewed the random gathering and filtering of massive amounts of raw data, regardless of the worthiness of the motives underlying the project, as having the capacity to present us with one of the gravest threats to the free exercise of constitutional rights and civil liberties in the 20th century. I should emphasize that I am not concluding that the planned FBI system necessarily presents us with such a potential threat, but I am convinced that any such informational system must be carefully scrutinized in order that it will not pose a danger to our legitimate, and fragile, right to privacy. While I understand the department has temporarily withdrawn its proposal I believe we have an obligation to work with the Department of Justice to insure that future endeavors clearly reflect a civil liberties as well as an informational perspective.

Accordingly, I have written to Attorney General Bell requesting him to consult with the subcommittee and provide us with an opportunity to review any future plans prior to their being put into effect. I ask that my letter to the Attorney General be included in the RECORD.

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

JUNE 21, 1977.

HON. GRIFFIN BELL,
Attorney General,
Washington, D.C.

DEAR MR. ATTORNEY GENERAL: I am writing to you today to request that you provide our Subcommittee with information concerning the Federal Bureau of Investigation's recently announced computer system which would allow message transfers by State and local police departments. I am particularly interested in securing an outline of the various plans the Department has for safeguarding the integrity of the system and preventing the misuse of the information stored or filtered through it.

While I understand these proposals will not go into effect immediately I would appreciate being afforded the opportunity to review them prior to the system becoming operational.

I know you share my concern over the potential for abuse presented by a system that was not properly constructed and constrained in terms of its threat to a vast array of civil liberties. I look forward to working with you to insure the constitutional integrity of such systems.

Sincerely,

BIRCH BAYH,
Chairman, Subcommittee
on the Constitution.

Carta. In 1689 a bill of rights was presented by the Commons to the King, and the King's government had to acknowledge this statement of principles as a legally binding guide to the ruling of the country.

Legal protection of human rights captured international concern most dramatically as a result of the Fascist and Nazi excesses of World War II. Recognizing that some governments abused their citizens rather than protecting their inherent rights as human beings, the United Nations and the International Labour Organization formulated international conventions on human rights. The Genocide Convention was the product of one of those conventions.

I wish I could announce to this body today that the United States of America, the nation that was built on a foundation of human rights, is not one of the handful of nations which has failed to ratify one of the human rights treaties which the international community has adopted. Instead I must report that it is indeed a true statement that the United States has yet to join the nations of the world in this progressive and realistic endeavor. There is no excuse for our inaction whatsoever.

Farm Bureau Cooperative Association	2,302
Farm Producers Marketing Association	250
Tangible personal property (estimated)	9,000
Cash value of life insurance (approximate)	18,000
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Automobiles (2):	
Book value	9,275
Less encumbrances	5,345
Net	3,930
Unsecured bank loan	-2,000
<hr/>	
Net value of all assets	205,219

INCOME 1976, MARRIED COUPLE FILING JOINTLY	
Salary	48,748
Dividends	2,465
Interest income	466
Senator and Mrs. Bayh's combined net income on Schedule C (profit from business or profession, including Senator Bayh's honoraria and writing income of \$22,405)	35,082
Net loss in capital assets	-1,000
Royalties	280
Farm income	14,957
<hr/>	
Income	100,798
Federal taxes paid	34,932
Indiana State taxes paid	2,051

HUMAN RIGHTS DOCUMENTS: 3,700 YEARS

Mr. PROXMIRE. Mr. President, yesterday I criticized the Senate for having failed to ratify the Genocide Convention in time for the Nation's 201st July 4. I reminded my colleagues that the Declaration of Independence—in fact, the system of our Government—is based on the recognition of the same sort of human rights that the Genocide Convention seeks to reaffirm.

Today I would like to remind my colleagues that the declaration is only one of many, many documents which have been created throughout history for the protection of human rights.

For as long as man has lived within society, certain inherent rights have been recognized as his. Under tribal law, man's physical self was regarded as beyond abuse resulting in an-eye-for-an-eye system of vengeance. Some 1,700 years before the birth of Christ, Hammurabi codified laws seeking to protect the individual against oppression by the strong.

Twelve centuries later the Athenians officially recognized the equality of their citizens before the law, in addition to their equal participation in drama and games. The Roman States at the beginning of the Christian era recognized mankind as a worldwide brotherhood in which all were free by nature.

Mr. President, these few examples of pre-Christian recognition of human rights serve to indicate that such a recognition is by no means solely a product of modern times. As a matter of fact, even documents enumerating such rights have a history of over 700 years.

In 1215 the freemen of England compelled King John to sign their Magna

FINANCIAL STATEMENT OF SENATOR BAYH

Mr. BAYH. Mr. President, earlier this year the Senate enacted a code of ethics for its members. Included in the ethics bill were provisions requiring disclosure of some aspects of a member's personal finances. While these new disclosure provisions mark an important step forward, I have every year since 1969 made public a detailed description of my assets and liabilities as well as my income and taxes paid. I intend to continue that practice now and in the future.

I ask unanimous consent that my financial statement for calendar year 1976 be printed in the RECORD.

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

PERSONAL FINANCIAL DISCLOSURE OF SENATOR AND MRS. BIRCH E. BAYH, JR.*

ASSETS AND LIABILITIES ON JUNE 1, 1977	
Cash in hand in savings and checking accounts	\$7,598
340-acre farm located in Vigo County, Indiana (acquisition cost)	68,000
Residence, 2919 Garfield Street NW., Washington, D.C. 20008:	
Acquisition cost:	
Lot	25,000
House	75,000
Less mortgage	-47,516
Net	52,484

Securities placed in blind trust in May 1970 with Terre Haute First National Bank (based on May 14, 1970, market value; present value unknown)	45,655
386 shares Vigo County, Indiana	

*Does not include property purchased by Mrs. Bayh with the proceeds of her father's estate, including real estate near Front Royal, Va.

TRIBUTE TO RABBI SAM SILVER

Mr. RIBICOFF. Mr. President, today Rabbi Samuel Silver, the spiritual leader of Temple Sinai in Stamford, will retire.

Rabbi Silver is a very special person. For the past 18 years, he has enriched the lives of the people of Stamford. He has combined wit and wisdom in a way those who know him, especially those in his congregation, will never forget and will always be grateful for.

Rabbi Sam, as he is affectionately known, is a man of many talents. He has served as a unique and distinguished spiritual leader, an accomplished author, and an extraordinary toastmaster. He is a devoted member of his community. Rabbi Sam is respected and loved by all who know him.

Rabbi Sam is a vital and enthusiastic man who lives life to the fullest. He has a passion for people and for life itself. Rabbi Silver has been a source of strength and reassurance to people of all faiths. As a leader of Temple Understanding, his vision and imagination have served him well. In his own words, he is being "recycled and reanimated" by his move to the Lee County Jewish Center in Cape Coral, Fla. He will be sadly missed but not forgotten by the people of Stamford.

I would like to thank Rabbi Sam for bringing encouragement and joy to all whom he has touched. I ask unanimous consent that two articles paying tribute to Rabbi Silver be printed in the RECORD.

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

ALL THAT GLITTERS IS (RABBI) SILVER, NOT GOLD, LEAVING STAMFORD AFTER 18 YEARS
(By Patricia Rosenau)

Rabbi Samuel Silver, spiritual leader of Temple Sinai, known to hundreds as Rabbi Sam, is a kind, friendly, religious man who

likes to tell an apparently endless supply of funny stories.

What the jovial man's fans may not realize is that each joke is related with a deadly serious purpose in mind.

Though an obvious aim is to attract the attention of a usually serious and somber congregation, the main pitch is to make a spiritual point.

For instance: A son tells his mother he will be good if she gives him a dollar. She replies: "Why can't you be good for nothing like your older brother?"

Then Rabbi Silver makes a point about the value of being good, not for the material reward, but for the sake of goodness.

He says his quips and anecdotes are like the parables—the word comes from comparable—that Jesus told to make his teachings clear to his followers.

Rabbi Silver has been delivering his lively sermons for 18 years at Temple Sinai, while also acting as toastmaster around town, presenting musical programs with his concert pianist wife and appearing on radio shows, but now that he is reaching 65, he is moving to Florida.

He says he's not retiring but is being "recycled and reanimated." He will be spiritual leader of Lee County Jewish Center in Cape Coral, Fla., a smaller and less demanding congregation than the Stamford one, but he expects to spend more time now on the programs with his wife, on lecturing and on writing.

Before he leaves, though, his friends plan a testimonial dinner—this time with someone else as toastmaster—on June 18 at the Marriott Hotel.

At Rabbi Silver's last Friday evening service, on July 1, the preacher will be his friend, nationally known Protestant clergyman the Rev. Norman Vincent Peale.

Rabbi Sam joined Temple Sinai in 1959, when the congregation was meeting at what is now Our Lady of Montserrat Church on Groves St. The new temple was built on Lakeside Dr. in 1962.

Born in Wilmington, Del., he was ordained in 1940 at Hebrew Union College, Jewish Institute of Religion, in Cincinnati, Ohio. He was director of Hillel at the University of Maryland until 1942, when he became chaplain with the U.S. Army, 98th Infantry Division, in Hawaii, and the Philippine Islands.

In 1946, he was named assistant rabbi at Euclid Avenue Temple, Cleveland, Ohio. He is a former national chaplain of the Jewish War Veterans, leader of the ecumenical movement called Temple Understanding and former vice president of the Stamford-Darien Council of Churches and Synagogues.

He has written "Explaining Judaism to Jews and Christians," "When You Speak English You're Often Talking Hebrew," and "How to Enjoy This Moment," among others.

His wife is an athlete, who plans to play a lot of tennis in Florida, and so are his five sons, Leon, David, Joshua, Bar and Noah, but Rabbi Sam is "an anti-athletic, a member of Athletics Anonymous. If I ever feel the urge, I lie down a while."

Among the projects which he will be working on is anthology of happiness. His own definition: "Happiness is getting paid for what you enjoy doing." (He does.)

Rabbi Silver believes that, in the Middle East, there are not two sides but three—the Jewish people, the Arab people and the Arab leaders, who, though they purport to be friendly to their people, actually preside over degradation, poverty and squalor while themselves living in wealth.

The Mideast picture, he says, is filled with misconceptions, and "the solution eludes me," but he hopes that the idealistic foundations of the various religions will ultimately

be instrumental in bringing the sides together.

Rabbi Sam says he meets each day, and each person, with excitement. "I am a gusher, an anti-skeptic," he says.

He is obviously the first speaker in this story that he tells: "There were these two guys at the circus, and they watched a man being shot out of a cannon while playing the violin. 'Ain't that spectacular?' asked one. 'Well, he's not much of a fiddler,' said the other."

RABBI SAM

Stamford has been enriched for 18 years by the presence of Rabbi Samuel Silver, spiritual leader of Temple Sinai. Now, approaching 65, he is going to Florida on Sept. 1 where he will be spiritual leader of a smaller congregation than the one that he has enjoyed (and that has enjoyed him) in Stamford. He will have more time for lecturing and writing.

Rabbi Sam, as everybody calls him, is a man who makes profound spiritual points by tossing off funny stories. It is a disarming and effective technique. He has been one of Stamford's most energetic and valued citizens. He has been an indefatigable sermonizer, a felicitous toastmaster, a producer of musical programs with Elaine, his concert pianist wife, and the host of the long-running radio show, "The Reverend, the Priest and the Rabbi."

He is the author of "Explaining Judaism to Jews and Christians," "When You Speak English You're Often Talking Hebrew" and "How to Enjoy This Moment." He is an enthusiast. He says he meets each day, and every person, with excitement.

He has a way of passing along this vitality, this will to live abundantly to those whose lives he has touched. He is ecumenical, as any truly broad-gauged person usually is, and has been leader of an ecumenical movement called Temple Understanding. He has been the vice president of the Stamford-Darien Council of Churches and Synagogues. It is typical of his stewardship at Temple Sinai that the preacher at his last Friday evening service in Stamford will be the Rev. Norman Vincent Peale, a Protestant known nationally for his religious work.

The Lee County Jewish Center in Cape Coral, Fla., to which Rabbi Sam will go as spiritual leader, is fortunate indeed. We wish him and his wife many happy years in their new home.

FINANCIAL STATEMENT OF SENATOR METZENBAUM

Mr. METZENBAUM. Mr. President, during the time of the debate on the ethics resolution, I indicated my support for full disclosure and at that time put into the RECORD a copy of my net worth statement as of March 1, 1976. I also indicated that on or about July 1, 1977, I would submit a report for the current year.

Prior to my entering the Senate, I sold all of my stock in the newspapers which I owned, which caused a change in the net worth figures. Other than that, the changes are not of major consequences.

As indicated in the net worth statement, the corporate holdings of my wife and myself are in a blind trust.

Mr. President, I ask unanimous consent to have printed in the RECORD my financial statement.

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

Net worth statement for Howard M. and Shirley T. Metzenbaum, blind trust, March 1, 1977

ASSETS	
Cash on hand and in banks.....	\$57,400
Municipal bonds and Citicorp note	95,000
Loans receivable	35,000
Corporate stocks:	
International Telephone & Telegraph Corp. (including ITT Consumer Services Corp).....	3,614,700
Penril Corp.....	739,140
Ogden Corp.....	32,848
Cleveland Professional Basketball Co	50,000
MCI Communications, Inc.....	1,600
Samuel Moore & Co.....	3,100
Grandview Raceway.....	2,800
Budd Co.....	5,600
Xerox Corp.....	2,100
Bobbie Brooks, Inc.....	3,200
Miscellaneous	3,600
Total	4,646,088
Investments in various non-public companies (reasonable estimate):	
194th Street Hotel Corp.....	150,000
Miscellaneous real estate and F. J. Cooper, Inc.....	220,000
Total	5,016,088
Partnership interests:	
Cleveland Indians.....	100,000
Louisiana Investment.....	100,000
Investment Plaza and Penton Plaza (including note).....	350,000
Miscellaneous real estate.....	158,000
Total	5,724,088
Personal assets (including two properties in Cleveland, Ohio, and one in Florida).....	906,000
Total assets.....	6,630,088
LIABILITIES	
The Cleveland Trust Co. (guarantor)	80,000
Real estate obligations.....	271,800
Miscellaneous loans	20,000
Total liabilities*.....	371,800
Net worth.....	6,258,288

* Total liabilities do not include \$200,000 obligation incurred since March 1, 1977.

HEW-LABOR APPROPRIATIONS

Mr. BAYH. Mr. President, one of the largest appropriations bills which is acted on every year is the bill for the Departments of Labor and Health, Education, and Welfare, and related agencies. The legislation appropriating funds for fiscal year 1978 totals \$60.7 billion, which is approximately \$500 million less than the House passed version of H.R. 7555 and only \$150 million more than the President's budget request. The wide variety of programs, from metric education to health research, contained as part of the annual Labor/HEW bill affect the lives of almost every American.

The Subcommittee on Labor/HEW Appropriations held numerous days of hearings to consider the administration's views on the fiscal year 1978 funding levels for programs included as part of

this bill and also heard from a wide variety of public witnesses. Then the subcommittee spent 2 days arriving at its recommendations regarding the appropriate funding level for each program. These recommendations were considered by the full Appropriations Committee for 2 days and the resulting bill is a carefully worked out recommendation of priorities for spending in the vital areas of education, health, public assistance, and labor.

As a member of the subcommittee, I am particularly grateful that a number of my suggested amendments were incorporated as part of the Senate version of H.R. 7555. In an area which has long been of concern to me, the disease control programs administered by the Center for Disease Control, the subcommittee adopted a number of increases. For venereal disease, the recommended funding level is \$37 million, an increase of \$10 million over the House and \$19 million over the budget estimate. For immunization against childhood diseases, the committee recommends the fully authorized amount of \$23 million. The rat control program was increased \$1 million over the House for a total of \$14 million and lead-based paint poisoning prevention received a \$3.5 million increase over both the House and the budget, for a total of \$12 million. In all four instances, medical science has given us the means to conquer these health problems. It is tragic and indefensible that our citizens continue to suffer from these diseases and I hope that the Senate can maintain these important increases during the House/Senate conference.

The Center for Disease Control also operates a program on health education and a component of this program is the National Clearinghouse for Smoking and Health. Although the committee was critical of the performance by the health education program at CDC, it has earmarked \$1 million to continue the work of the clearinghouse. The committee also took an important step in providing \$2.5 million for the new Office of Health Promotion and Health Education in the Office of the Assistant Secretary for Health. Hopefully, this Office can begin to coordinate the health education activities throughout the Department, target groups needing health information, and begin an effective fight against health problems such as smoking.

This year the subcommittee approved an across-the-board increase of 15 percent for all Institutes of the National Institutes of Health. The major exception was the National Cancer Institute, which received a 12-percent increase or a total of \$920 million. I would have preferred to have seen larger increases in a number of Institutes, including the National Cancer Institute, the National Heart, Lung and Blood Institute, and the National Eye Institute. The only change made at the full committee markup in the subcommittee's recommendations for NIH was an increase of \$20 million for diabetes research. The bill also con-

curs with the House action to restore funding for the biomedical research support program at the fiscal year 1977 level of \$40 million.

H.R. 7555 contains a recommendation of \$30 million for initial operations of community health centers. I sponsored this amendment which is approximately \$7 million over the House figure. The administration submitted no budget request. This funding is particularly necessary for the State of Indiana, where there are seven centers which have been approved but remain unfunded due to the lack of resources. The same situation exists in a number of States and, hopefully, the bill will provide enough funds so that approved but unfunded centers will receive funding in fiscal year 1978.

Two amendments which I sponsored in the area of human development were adopted by the committee. Head Start, a program that has received no significant increases for 10 years, is funded at a \$655 million level, an increase of \$60 million over the House and \$170 million over the budget request. It is estimated that approximately 1 million eligible children are not currently being served by Head Start. The funding level provided in the Senate bill would provide services for an additional 94,000 children. In addition, the bill contains \$15 million for the runaway youth program. The increase over last year's funding level of \$8 million should provide for an additional 37 centers.

The committee agreed with my proposal to fund the information and counseling genetic disease program for the first time. This program, authorized by Public Law 94-278, is designed to begin a national program to provide basic and applied research, research training, testing, counseling and information and education programs with respect to genetic diseases and the \$5 million in the bill will initiate this important program. Some of the diseases to be covered are Huntington's disease, Cooley's anemia, hemophilia, cystic fibrosis, sickle cell anemia, and Tay-Sachs.

For developmental disabilities and mental retardation, the subcommittee approved a package of amendments. An increase of \$1.2 million over the House figure for a total of \$30 million was made in research and training under maternal and child health, and the grants for university affiliated facilities for developmentally disabled was increased to \$7.5 million, \$2 million over the budget request. In Indiana, the Riley Child Development Center in Indianapolis, which serves more than 1,100 persons, and the Developmental Training Center in Bloomington, which has developed an infant curriculum for training and evaluation of retarded children receive support through these programs.

H.R. 7555 continues funding the several important student loan programs. The basic opportunity grant program is funded at a level of \$2.070 billion which assumes an 85 percent participation of eligible students with a maximum award level of \$1,600 for about 2 million stu-

dents. The supplemental grant program is \$270 million, or \$30 million over the budget request. Work-study received an increase of \$60 million over the budget request for a total of \$450 million. There was no budget request for capital contributions for the direct loan program. However, the bill contains \$310.5 million for this program which should provide for over 800,000 loans averaging \$710 per student.

This legislation also contains appropriations for a number of independent agencies including Action and the Community Services Administration. The bill contains an increase to \$375 million in the local initiative funding for the CSA. This is \$45 million over the budget request and \$12 million over the House allowance. Local initiative funds are used to assist the 900 Community Action Agencies (CAA's) administer more than \$1.6 billion worth of antipoverty programs and the increase, which I and a number of other Senators proposed, is necessary to combat inflationary pressures which have reduced the CAA's budget by approximately 35 percent since 1971.

I have touched on only a few of the wide variety of programs funded in this extremely wide-ranging and complex bill. Some of the other important programs receiving funds in H.R. 7555 include education for the handicapped, school librarians, health manpower and public service jobs and within the limited funds available for the vital programs in H.R. 7555, the Subcommittee on Labor/HEW Appropriations has attempted to devise a realistic assignment of spending priorities.

As a member of that subcommittee, I am well aware and proud of the extraordinarily able leadership that the chairman, Senator MAGNUSON, brings to this bill. The chairman and the ranking minority member, Senator BROOKE, have, as usual, been most cooperative and fair in the consideration of my amendments as well as those of other Senators. This spirit of cooperation has also been evident in the helpfulness of the entire majority and minority staff and I congratulate them on a job well done.

NOTICE CONCERNING NOMINATION BEFORE THE COMMITTEE ON THE JUDICIARY

Mr. ROBERT C. BYRD, Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary: D. Lee Rampey, Jr., of Georgia, to be U.S. attorney for the middle district of Georgia for the term of 4 years, vice Ronald T. Knight, resigned.

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 Friday, July 8, 1977, 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.