HOUSE OF REPRESENTATIVES,
Washington, D.C., December 2, 1977.

General Secretary BREZHNEV,
Presidium of the Supreme Soviet of the U.S.S.R., Moscow, The Kremlin, U.S.S.R.

DEAR MR. CHAIRMAN: We are writing to ask that you allow Mr. Lev Ovsishcher to emigrate to Israel.

Mr. Ovsishcher, along with his wife and daughter applied to emigrate in 1973. Throughout his life he has been a law abiding citizen who in fact served his country heroically during World War II. For this service, Mr. Ovsishcher was recommended for the highest military award bestowed by the Soviet Union, the Hero of the Soviet Union, in recognition of his flying ability and brave acts as commander of an air squadron near Stalingrad.

After the war, Mr. Ovsishcher graduated from the Highest Military Air Academy in the Soviet Union, and subsequently retired with rank of colonel. Later on, he worked in the Scientific Research Institute of Mathematical Research in Economy.

Since he applied to leave the Soviet Union, Mr. Ovsishcher has been harassed, threatened and lost his military pension. All he wants to do is spend his last years in Israel with his wife and daughter after having served the Soviet Union for most of his life in different capacities.

Because you signed the Helsinki Human Rights document, we now strongly urge you to grant Lev Ovsishcher, his wife and daughter permission to emigrate to the State of Israel as soon as possible.

Sincerely,

Bill Brodhead, Steven Solarz, Jack F. Kemp, Dale E. Kildee, Claude Pepper, Frank Thompson, Jr., Henry A. Waxman, Antonio Borja, Won Pat, Margaret Heckler, Joe Moakley, Larry McDonald, Ted Weiss, C. B. Rangel, Lou Frey, Jr.,

Tom Downey, Raymond F. Lederer, Max Baucus, Liz Holtzman, Norman Lent, Joshua Eilberg, Bill Hughes, Bill Lehman, Henry J. Hyde, Dan Glickman, Parren J. Mitchell, Richard L. Ottinger, Peter H. Kostmayer, Ed Koch,

Daniel J. Flood, James J. Blanchard, David L. Cornwell, Paul Simon, Robert J. Lagomarsino, Mickey Edwards, Donald Fraser,

Members of Congress.

SENATE COMMITTEE MEETINGS

All committees, subcommittees, joint committees, and committees of conference are required to notify the Office of the Senate Daily Digest of the time, place, and purpose of all meetings when scheduled, and any cancellations or changes in meetings as they occur.

The Office of the Senate Daily Digest will periodically prepare this information for printing in the Extensions of Remarks section of the CONGRESSONAL RECORD.

MEETINGS SCHEDULED

DECEMBER 13

8:30 a.m.
Energy and Natural Resources
To hold hearings on the nomination of Lincoln E. Moses, of California, to be Administrator of the Energy Information Administration.
3110 Dirksen Building

9:00 a.m.
Agriculture, Nutrition, and Forestry
Agriculture Research and General Legislation Subcommittee
To hold hearings on the safety of workers in the production of pesticides.
Until 5:00 p.m. 322 Russell Building

10:00 a.m.
Judiciary
Constitution Subcommittee
To hold hearings on S.J. Res. 67, proposing an amendment to the Constitution with respect to the proposal and the enactment of laws by popular vote of the people of the United States.
2228 Dirksen Building

DECEMBER 14

9:00 a.m.
Agriculture, Nutrition, and Forestry
Agriculture Research and General Legislation Subcommittee
To continue hearings on the safety of workers in the production of pesticides.
Until 2:30 p.m. 322 Russell Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold oversight hearings on the New York City Seasonal Financing Act.
5302 Dirksen Building

Commerce, Science, and Transportation
To hold hearings on the nomination of Ernest Ambler, of Maryland, to be Director of the National Bureau of Standards.
5110 Dirksen Building

Judiciary
Constitution Subcommittee
To continue hearings on S.J. Res. 67, proposing an amendment to the Constitution with respect to the proposal and the enactment of laws by popular vote of the people of the United States.
2228 Dirksen Building

DECEMBER 15

9:00 a.m.
Commerce, Science, and Transportation
Science, Technology, and Space Subcommittee.
To hold hearings on the United Nations conference on science and technology for development in 1979.
Until 5:00 p.m. 5110 Dirksen Building

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue oversight hearings on the New York Seasonal Financing Act.
5302 Dirksen Building

DECEMBER 16

10:00 a.m.
Banking, Housing, and Urban Affairs
To continue oversight hearings on the New York City Seasonal Financing Act.
5302 Dirksen Building

DECEMBER 20

10:00 a.m.
Select Small Business
To hold hearings on the problem of agricultural labor certification for nonimmigrant aliens and small growers.
424 Russell Building

DECEMBER 21

10:00 a.m.
Select Small Business
To continue hearings on the problem of agricultural labor certification for nonimmigrant aliens and small growers.
424 Russell Building

JANUARY 17

9:30 a.m.
Judiciary
Citizens and Shareholders Rights Subcommittee
To hold hearings on problems associated with the rights and remedies of insurance policy holders, especially on questions of the cost to and coverage for such policy holders.
2228 Dirksen Building

JANUARY 18

9:30 a.m.
Judiciary
Citizens and Shareholders Rights Subcommittee
To continue hearings on problems associated with the rights and remedies of insurance policyholders, especially on questions of the cost to and coverage for such policyholders.
2228 Dirksen Building

SENATE—*Wednesday, December 7, 1977*

The Senate met at 12 meridian and was called to order by Hon. EDWARD ZORINSKY, a Senator from the State of Nebraska.

PRAYER

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

Prepare us, O Lord, for the journey to Bethlehem and to newness of life. May we be star-led to the manger-cradle and find Thee right in the family circle. May the tenderness of Mary deliver us from hardness of heart and the patience and love of Joseph save us from harsh judgments. May the shepherds watch keep our eyes open for every sign of Thy coming. Give us ears to hear the music of the skies. As wise men of old followed the star, move us to follow Thy guiding light to the place of peace.

In Thy holy name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

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

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, D.C., December 7, 1977.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable EDWARD ZORINSKY, a Senator from the State of Nebraska, to perform the duties of the Chair.

JAMES O. EASTLAND,
President pro tempore.

Mr. ZORINSKY thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

THE JOURNAL

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, December 6, 1977, be dispensed with.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

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

EXECUTIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations placed on the Secretary's desk.

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

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

NOMINATIONS ON THE SECRETARY'S DESK

The second assistant legislative clerk proceeded to read nominations placed on the Secretary's desk in the Coast Guard and the National Oceanic and Atmospheric Administration.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

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

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent to move to reconsider en bloc the vote by which the nominations were confirmed.

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

Mr. ROBERT C. BYRD. Mr. President, I make that motion.

Mr. SCHMITT. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ROBERT C. BYRD. Mr. President, I ask that the President be immediately notified of the confirmation of the nominations.

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

(The nominations confirmed are printed at the end of today's Senate proceedings.)

LEGISLATIVE SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate return to legislative session.

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

DEVELOPMENTS IN PANAMA

Mr. ROBERT C. BYRD. Mr. President, two of the Panamanian newspapers, Critica and Matutino are reporting that the Panamanian Government has moved to abrogate two of the laws, or decrees, which were the subject of the delegation's discussions with Torrijos. I refer to the delegation which I recently led to Panama.

According to the press reports, the General Council of State, composed of legislative representatives and Cabinet members, has abrogated law 341 relating to the right of assembly and law 342 which was the summary administrative trial and detention provision—said to have been needed for "terrorism" cases.

Torrijos has been quoted as saying these actions follow his commitment to the delegation. He has also said that he will be discussing law 343 on press freedom with the journalists union.

These are, of course, very encouraging developments—both for the Panamanian people and for United States-Panama relations. They indicate that Torrijos is acting in good faith and is determined to meet the commitments he made to the delegation.

The State Department will keep us informed to further developments. It is to be hoped that Torrijos will follow through on these actions and will take definite action on press freedom.

Mr. President, on December 3, 1977, General Torrijos wrote a letter which has been delivered to me by Ambassador Gabriel Lewis, the Panamanian Ambassador to the United States. I ask unanimous consent that that letter from Gabriel Lewis, which contains a communication addressed to me from the Chief of Government, Brig. Gen. Omar Torrijos, be printed in the RECORD at this point.

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

EMBAJADA DE PANAMA,
Washington, D.C., December 3, 1977.

Hon. Senator ROBERT BYRD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR BYRD: I have received the following message from our Chief of Government, Brigadier General Omar Torrijos Herrera, with the request it be delivered to you immediately:

Hon. Senator ROBERT BYRD,
Majority Leader, US. Senate,
Washington, D.C.

DEAR SENATOR: This is to inform you that our Council of State on December 2, 1977, at Frallón, repealed in its entirety Decree 342 of October 31, 1969, which refers to crimes against constitutional order and the State. This means that such crimes will be dealt with the Penal and Judicial Codes which remain as they were prior to 1968.

This is also to inform you that certain articles of Decree 341 which suspended constitutional guarantees also were repealed. These articles now repealed referred to prohibitions to hold public meetings in Panama City and Colon. Therefore, this public activity may be carried out throughout the country, including Panama City and Colon, as it always was in practice.

Within the next few days, proposed laws regarding public communication and printed matter will be discussed. We are awaiting recommendations by the Journalists Union which has expressed concern that repeal of the present law would make previous legislation applicable and that such legislation is considered as requiring updating.

I am keeping my word. Please convey this to your colleagues whom I dearly trust.

(Signed) General OMAR TORRIJOS H.

I avail myself of this opportunity to renew the assurances of my highest esteem and consideration.

GABRIEL LEWIS,
Ambassador.

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

RECOGNITION OF LEADERSHIP

The ACTING PRESIDENT pro tempore. The Senator from New Mexico.

Mr. SCHMITT. Mr. President, I yield such portion of the minority's time as the Senator from Virginia (Mr. SCOTT) requires to pay tribute to Mr. Arthur E. Scott.

TRIBUTES TO ARTHUR E. SCOTT

Mr. SCOTT. Mr. President, last Friday, with the death of Arthur E. Scott, I lost a friend and a neighbor from Fairfax County. The Senate lost one of its most familiar and friendly faces. Although we bore the same surname and lived in the same general area of Fairfax County, we were not related.

Arthur, or Scotty, as he was generally known on the Hill, came to work as a photographer for the International News Service in 1934. He became a photographer for the Republican Senatorial Committee in 1955, remaining until his retirement from the Senate last year. His wife Grace was a caseworker in my office for 10 years. She retired with her husband.

Perhaps Scotty was best known to Members of the Senate for his cheerful, friendly face, his smile, and his desire to share his photographic talents representing Senators pictorially in the best possible manner. He was a perfectionist in his work and persisted in placing us in what he considered to be the proper position in obtaining the best angle, the best background, and the best overall presentation of a specific happening of the moment.

I ask unanimous consent, Mr. President, to have printed in the RECORD at this point a more detailed statement with regard to Arthur Scott.

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

ARTHUR E. SCOTT

Born in Montpelier, Vermont, March 14, 1913. Moved to Washington with his parents and brother Clifton in 1925. The family ran a rooming house known as the Loch Raven Hotel at 3rd and Constitution Ave., on the site that is now occupied by the Department of Labor. Arthur often kidded about going to Arthur School on Arthur Place, just about on the spot where the fountain sparkles in the park above the Senate garage.

His career began as a copy boy on the Times-Herald newspaper in 1930 and he retired as the first photo-historian of the United States Senate in 1976. During these years he made many pictorial contributions to the history of our country, recording the activities of many national and international figures on the Washington scene. Scotty's ability as a photographer won him many prizes, as well as recognition among his colleagues. He served as President of the White House News Photographers Association in 1945, and later as Regional Director of the National Press Photographer's Association, of which he was a charter member. He was the Historian of both of these organizations at the time of his death on December 2, 1977.

When Arthur retired he mentioned that there was not one member of the Senate remaining who was there at the time he started covering the Hill for International

News Photos in 1934. These years also brought before his camera the wartime heroes and foreign dignitaries who appeared before the Senate and its Committees, and he became a popular figure at the Capitol with his ready smile and willing spirit.

In 1955, when the Republican Senatorial Committee was looking around for photographers, Scotty was one of the two chosen to provide photographic services for Republican Senators. This was a new approach to keeping the constituents aware of the day by day activities of the Senators in Washington and his pictures went to all sections of the country, depicting legislative activities and current events in the Nation's Capitol. He covered the Republican National Conventions from 1956 through 1972, as well as many other momentous occasions during this period. The click of his camera is silenced but his pictures will be a living record of his efforts to preserve the history of our country for those who will build the future.

Mr. SCOTT. Mr. President, I extend my deepest sympathy to Grace and to the other members of the family on the loss of this fine man.

I am glad to yield to the distinguished Senator from West Virginia.

The ACTING PRESIDENT pro tempore. The Senator from West Virginia.

Mr. RANDOLPH. Mr. President, Scotty, as he was known for so many years by those of us who work on the Hill, was not exclusively a Republican photographer, although he was a part of the organization of those who sit on the other side of the aisle. There were many times when I would need a photograph with a constituent or constituents. It could be a hurried photographic request. The Democratic photographer would not then be available. Scotty had led me to feel that if there were such an occasion I could call upon him. If he were available he would fill in, he would help.

I knew Scotty so very well. I know Grace. I have talked with her since his passing. He was a superb photographer, of course. He had a certain diligence about him as he did his job. The Senator from Virginia (Mr. SCOTT) has characterized him correctly when he has spoken of Scotty as a cheerful person. He certainly was always that. When men like Scotty leave not just a profession but the area in which they have labored, there are many of us who do not forget them. It will be so with me in Scotty's passing.

Mr. SCOTT. Mr. President, I appreciate the kind remarks offered by the distinguished Senator from West Virginia. Scotty was a Republican and I believe was on the payroll for a period of years of the Republican senatorial campaign committee. He did love the Senate and, I believe, each Member of the Senate.

Mr. CURTIS. Mr. President, I wish to pay tribute to a good man, a gentle man, a kindly man, whom we all called Scotty because we loved him. He is gone from our midst, for this radiant Christian has been called to his reward.

Scotty will be remembered as he walked around these Halls with his camera, ever ready to record in pictures an interesting moment for a constituent, as well as for a Senator. During the years that he served as an official photographer for the Senate Republicans he won a host of friends because he was a friend to all.

Scotty was never impatient, always courteous, and always willing to do a little more or to take a little more time than was required. As a photographer he was an artist. His work was superb.

Mrs. Curtis and I extend to his widow, Grace, and to the rest of the family our most sincere sympathy in his passing.

Mr. DOLE. Mr. President, Arthur Scott, a friend of mine and many other Members of the Senate, especially Senators on this side of the aisle, died last Friday of cancer. I would like to express my sympathy to his wife, Grace, and other members of his family.

Many of us saw Scotty almost daily, sometimes several times a day, in his capacity as Republican Senate photographer. His winning manner with constituents, his humorous approach to his work, and his ability to be several places at once when different Senators were ready to have their picture taken, made him a truly outstanding servant of the Senate.

His ability to keep constituents entertained while waiting for a Senator to arrive—and his way of getting the very best pose for the photograph in a very few seconds, marked him as a truly outstanding photographer. He was very good to our constituents, and was very good to us.

I would like to express my gratitude for his many years of service and pass along my condolences to his wife and family

TRIBUTE TO THE APOLLO MISSIONS

Mr. SCHMITT. Mr. President, just a personal observation about today, December 7. It is often remembered as a day that, as I quote, "will live in infamy." But it is a day of great importance to this Nation, not only because of our entry into that great war, World War II, but because of another event that occurred just 5 years ago today. That was the beginning of the last of the Apollo missions to the Moon, a mission which I was privileged to serve upon, along with Capt. Gene Gernan and Comdr. Ronald Evans. I just want to pay tribute to those hundreds of thousands of Americans, most of whom were in the private sector, but many of whom were in NASA and in the Department of Defense and other agencies of the Government, who made possible possibly one of the greatest sequence of events in the history of mankind. That was man's first evolutionary step into the universe.

It hardly seems that 5 years have passed, but they have. Captain Cernan and Captain Evans and I, as we talked on the telephone yesterday and reminisced a little bit, all had the feeling that the next 5 years are going to be even more exciting for us personally than have been the last, and that the potential for the future of this country is even greater now than it was when the Apollo programs stopped.

We used for the motto of our particular mission to the Moon, Apollo 17: "This is the beginning, not the end." I think that should certainly hold for the country as a whole and certainly, I hope, for our future as a nation in space.

Mr. President, I have no further need for the minority's time. I yield that time back.

ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business for not to exceed 10 minutes, with statements therein limited to 2 minutes.

ORDER FOR ADJOURNMENT UNTIL 1 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 1 p.m. tomorrow.

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

VITIATION OF ORDER TO HOLD BILL AT DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the order to hold at the desk pending further disposition a bill by Senator HUMPHREY and others, designated as S. 2345, be vitiated. It was not the Senator's intent to introduce the bill, but only to have it printed in the RECORD.

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

MESSAGES FROM THE HOUSE

At 12:05 p.m. a message from the House of Representatives delivered by Mr. Hackney, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9375) making supplemental appropriations for the fiscal year ending September 30, 1978, and for other purposes; that the House recedes from its disagreement to the amendments of the Senate numbered 2, 5, 8, 10, 15, 25, 28, 29, 31, 32, 35, 44, 48, 49 through 51 inclusive, and 53 to the bill, and concur therein; that the House recedes from its disagreement to the amendments of the Senate numbered 1, 7, 16, 22, 23, 37, 52, and concurs therein each with an amendment; and that the House insists on its disagreement to the amendment of the Senate numbered 43, and requests that the Senate concur therein.

The message also announced that the House has passed the following bills and joint resolution, in which it requests the concurrence of the Senate:

H.R. 1405. An Act for the relief of Jennet Juanita Miller;

H.R. 1450. An act for the relief of Hildegard G. Blakeley;

H.R. 1777. An act for the relief of Cathy Gee Yuen;

H.R. 1787. An act for the relief of Paz A. Norona;

H.R. 5466. An act for the relief of Doris Mauri Coonrad;

H.R. 6760. An act for the relief of Charles M. Metott;

H.R. 8212. An act for the relief of Charles P. Bailey;

H.R. 8481. An act for the relief of M/Sgt. George C. Lee, U.S. Air Force;

H.R. 9071. An act to confer jurisdiction upon the U.S. Court of Claims to hear, determine, and render judgment upon the claim of John T. Knight; and

H.J. Res. 489. A joint resolution granting the status of permanent residence to certain aliens.

The message further announced that the House has agreed to House Concurrent Resolution 432, to assure quality health care for populations located in rural areas, in which it requests the concurrence of the Senate.

At 2 p.m., a message from the House of Representatives, delivered by Mr. Hackney, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 6666) to amend the Legal Services Corporation Act to provide authorization of appropriations for additional fiscal years, and for other purposes.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 9418) to amend the Public Health Service Act to require increases in the enrollment of third-year medical students as a condition to medical schools' receiving capitation grants under such act, and for other purposes.

At 5 p.m., a message from the House of Representatives delivered by Mr. Hackney, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 305) to amend the Securities Exchange Act of 1934 to require issuers of securities registered pursuant to section 12 of such act to maintain accurate records, to prohibit certain bribes, and for other purposes.

The message also announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3722) to amend the Securities Exchange Act of 1934 to authorize appropriations for the Securities and Exchange Commission for fiscal year 1978.

The message further announced that the House agrees to the amendments of the Senate to the bill (H.R. 9378) to amend title IV of the Employee Retirement Income Security Act of 1974 to postpone, for 2 years, the date on which the corporation first begins paying benefits under terminated multiemployer plans.

The message also announced that the House agrees to the amendment of the Senate numbered 1 to the resolution (H.J. Res. 662) making further continuing appropriations for the fiscal year 1978, and for other purposes; that the House agrees to the amendment of the Senate numbered 2, with an amendment in which it requests the concurrence of the Senate.

HOUSE BILLS AND RESOLUTIONS REFERRED

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

H.R. 1405. An act for the relief of Jennet Juanita Miller; to the Committee on the Judiciary.

H.R. 1450. An act for the relief of Hildegard G. Blakeley; to the Committee on the Judiciary.

H.R. 1777. An act for the relief of Cathy Gee Yuen; to the Committee on the Judiciary.

H.R. 1787. An act for the relief of Paz A. Norona; to the Committee on the Judiciary.

H.R. 5466. An act for the relief of Doris Mauri Coonrad; to the Committee on the Judiciary.

H.R. 6760. An act for the relief of Charles M. Metott; to the Committee on the Judiciary.

H.R. 8481. An act for the relief of M/Sgt. George C. Lee, U.S. Air Force; to the Committee on the Judiciary.

H.R. 9071. An act to confer jurisdiction upon the U.S. Court of Claims to hear, determine, and render judgment upon the claim of John T. Knight; to the Committee on the Judiciary.

H.J. Res. 489. A joint resolution granting the status of permanent residence to certain aliens; to the Committee on the Judiciary.

The concurrent resolution (H. Con. Res. 432) to assure quality health care for populations located in rural areas, was read by title and referred to the Committee on Human Resources.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, December 7, 1977, he presented to the President of the United States the following enrolled bills:

S. 1316. An act to authorize appropriations for fiscal years 1978, 1979, and 1980 to carry out State cooperative programs under the Endangered Species Act of 1973; and

S. 2328. An act to amend Private Law 95-21 to make a technical correction therein.

REFERRAL OF S. 2236

Mr. INOUYE. Mr. President, when S. 2236, the Omnibus Antiterrorism Act of 1977, is reported by the committees to which it has already been referred, I request that it be referred to the Select Committee on Intelligence pursuant to the provisions of Senate Resolution 400.

The ACTING PRESIDENT pro tempore. Pursuant to Senate Resolution 400, the bill will be so referred.

COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

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

EC-2388. A communication from the Deputy Assistant Secretary of Defense (Installations and Housing), reporting, pursuant to law, six construction projects to be undertaken by the Army National Guard (with accompanying papers); to the Committee on Armed Services.

EC-2389. A communication from the Director, Defense Security Assistance Agency and Deputy Assistant Secretary (ISA), Security Assistance, reporting, pursuant to law, on the Departent of the Navy's proposed letter of offer to Australia for defense articles estimated to cost in excess of $25 million (with accompanying papers); to the Committee on Armed Services.

EC-2390. A communication from the Assistant Secretary of the Army (Research, Development and Acquisition), transmitting, pursuant to law, a report on Department of the Army Research and Development Contracts for $50,000 or more which were awarded during the period 1 April 1977 through 30 September 1977 (with an accompanying report); to the Committee on Armed Services.

EC-2391. A communication from the Assistant Deputy Chief of Naval Material (Contracts and Business Management), transmitting, pursuant to law, the Department of the Navy's semiannual report of research and development procurement actions of $50,000 and over, covering the period October 1, 1976, through September 30, 1977 (with an accompanying report); to the Committee on Armed Services.

EC-2392. A communication from the Attorney General, transmitting, pursuant to law, a report on the activities of the Department of Justice in the enforcement of title II of the Consumer Credit Protection Act for the fiscal year 1977 (with an accompanying report); to the Committee on Banking, Housing, and Urban Affairs.

EC-2393. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on the activities of the Office of Energy Information and Analysis, Federal Energy Administration, December 5, 1977 (with an accompanying report); to the Committee on Energy and Natural Resources.

EC-2394. A communication from the senior adviser and director for International Narcotics Control, Department of State, transmitting, pursuant to law, planned changes in allocations of fiscal year 1978 funds authorized and appropriated for the international narcotics control program (with accompanying papers); to the Committee on Foreign Relations.

EC-2395. A communication from the assistant legal adviser for treaty affairs, Department of State, transmitting, pursuant to law, international agreements other than treaties entered into by the United States within 60 days after the execution thereof (with accompanying papers); to the Committee on Foreign Relations.

EC-2396. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on "Combined Truck/Rail Transportation Service: Action Needed to Enhance Effectiveness," December 2, 1977 (with an accompanying report); to the Committee on Governmental Affairs.

EC-2397. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on "Illegal Entry at United States-Mexico Border—Multiagency Enforcement Efforts Have Not Been Effective in Stemming the Flow of Drugs and People," December 2, 1977 (with an accompanying report); to the Committee on Governmental Affairs.

EC-2398. A communication from the chairman, Council of the District of Columbia, transmitting, pursuant to law, an act adopted by the Council of the District of Columbia on October 25, 1977, which would order the closing of an east-west public alley from 50th Street NE., to the rear property lines of Lots 42 and 53 in Square 5202, 50th and Meade Streets NE. (Act 2-101) (with accompanying papers); to the Committee on Governmental Affairs.

EC-2399. A communication from the chairman, Council of the District of Columbia, transmitting, pursuant to law, an act adopted by the Council of the District of Columbia on October 25, 1977, which would order the closing of a north-south public alley between the East Washington Railroad right-of-way and an east-west public alley in Square 5217, bounded by 55th, Nannie Helen Burroughs Avenue, 56th, and Foote Streets NE. (Act 2-103) (with accompanying papers); to the Committee on Governmental Affairs.

EC-2400. A communication from the chairman, Council of the District of Columbia, transmitting, pursuant to law, an act adopted by the Council of the District of Columbia on October 25, 1977, which would order the closing of an east-west public alley abutting on Lot 110, Lot 111, and two north-south public alleys in Square 754, bounded by 2d, E, 3d, and F Streets NW. (Act 2-102) (with accompanying papers); to the Committee on Governmental Affairs.

EC-2401. A communication from the chairman, Council of the District of Columbia, transmitting, pursuant to law, an act adopted by the Council of the District of Columbia on May 17, 1977, and ratified by a majority of the registered qualified electors of the District voting in the referendum held for such ratification, which would amend the Charter of the District of Columbia to provide for initiative, referendum and recall (Act 2-46) (with accompanying papers); to the Committee on Governmental Affairs.

EC-2402. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on "Inequities in the Federal Withholding Tax System," December 2, 1977 (with an accompanying report); to the Committee on Governmental Affairs.

EC-2403. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report on "Summary of Open GAO Recommendations for Legislative Action as of Sept. 30, 1977," December 5, 1977 (with an accompanying report); to the Committee on Governmental Affairs.

EC-2404. A communication from the Assistant Secretary, Indian Affairs, Department of the Interior, transmitting, pursuant to law, two orders covering cancellations and adjustments in reimbursable charges existing as debts against individual Indians or tribes of Indians, May 12, 1977, and September 9, 1977 (approved Sept. 23, 1977) (with accompanying papers); to the Select Committee on Indian Affairs.

EC-2405. A communication from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, orders in the cases of aliens who have been found admissible to the United States (with accompanying papers); to the Committee on the Judiciary.

EC-2406. A communication from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, orders suspending deportation, as well as a list of the persons involved (with accompanying papers); to the Committee on the Judiciary.

EC-2407. A communication from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, orders entered in 826 cases in which the authority contained in section 212(d)(2) of the Immigration and Nationality Act was exercised in behalf of such aliens (with accompanying papers); to the Committee on the Judiciary.

EC-2408. A communication from the Chairman, Federal Election Commission, transmitting, pursuant to law, correspondence which it has sent to the Office of Management and Budget (with accompanying papers); to the Committee on Rules and Administration.

EC-2409. A communication from the Chairman, Nuclear Regulatory Commission, transmitting, pursuant to law, a report on "Abnormal Occurrences," July-September 1977 (with an accompanying report); to the Committee on Environment and Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PROXMIRE, from the Committee on Banking, Housing, and Urban Affairs:

A special report on the conduct of monetary policy (together with additional and supplemental views) (Rept. No. 95-610).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

James K. Logan, of Kansas, to be U.S. circuit judge for the 10th Circuit.

Robert S. Vance of Alabama, to be U.S. circuit judge for the Fifth Circuit.

George C. Carr, of Florida, to be U.S. district judge for the middle district of Florida.

John L. Kane, Jr., of Colorado, to be U.S. district judge for the district of Colorado.

Alexander O. Bryner, of Alaska, to be U.S. attorney for the district of Alaska.

John H. Cary, of Tennessee, to be U.S. attorney for the eastern district of Tennessee.

Julian K. Fite, of Oklahoma to be U.S. attorney for the eastern district of Oklahoma.

Larry R. McCord, of Arkansas, to be U.S. attorney for the western district of Arkansas.

Michael H. Walsh, of California, to be U.S. attorney for the southern district of California.

Edward G. Warin, of Nebraska, to be U.S. attorney for the district of Nebraska.

Harry D. Mansfield, of Tennessee, to be U.S. marshal for the eastern district of Tennessee.

Rex O. Presley, of Oklahoma, to be U.S. marshal for the eastern district of Oklahoma.

Thomas Arny Rhoden, of Mississippi, to be U.S. marshal for the southern district of Mississippi.

John A. Roe, of Iowa, to be U.S. marshal for the northern district of Iowa.

Andrew E. Gardner, of North Carolina, to be U.S. marshal for the western district of North Carolina.

Edward P. Gribben, of South Dakota, to be U.S. marshal for the district of South Dakota.

(The foregoing nominations to be U.S. attorneys and U.S. marshals were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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. THURMOND:

S. 2347. A bill for the relief of John A. Mitchell and Audrey E. Mitchell, of Columbia, S.C.; to the Committee on the Judiciary.

By Mr. INOUYE:

S. 2348. A bill to amend the Merchant Marine Act, 1920, by establishing a program of development grants for those seaports located in the domestic offshore States, territories, and possessions of the United States; to the Committee on Commerce, Science, and Transportation.

S. 2349. A bill for the relief of Margaret Perry; to the Committee on the Judiciary.

S. 2350. A bill for the relief of Thavorn Wong; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND RESOLUTIONS

By Mr. THURMOND:

S. 2347. A bill for the relief of John A. Mitchell and Audrey E. Mitchell, of Columbia, S.C.; to the Committee on the Judiciary.

S. Res. 331. A resolution to refer the bill (S. 2347) entitled "A bill for the relief of John A. Mitchell and Audrey E. Mitchell, of Columbia, S.C.", to the Chief Commissioner of the U.S. Court of Claims for a report thereon; to the Committee on the Judiciary.

JOHN A. AND AUDREY E. MITCHELL

Mr. THURMOND. Mr. President, on May 15, 1976, Chief Petty Officer John Henry Mitchell, Social Security No. 247-04-8073, U.S. Navy, of Columbia, S.C., died of Hodgkins disease, while a member of the Naval Service. It is alleged that his death was due to negligence by naval doctors because of the delay in treatment and diagnosis of the ailment, as Hodgkins disease.

In an effort to resolve differences of opinion concerning alleged negligence, I am introducing a private relief bill in behalf of Mr. and Mrs. John A. Mitchell, parents of the deceased. Concurrently, I am also introducing a resolution to refer this case to the Commissioners of the U.S. Court of Claims for review and submission of findings to the Senate.

Mr. President, I ask unanimous consent that the private relief bill and the resolution be printed in the RECORD.

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

S. 2347

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $——— to John A. Mitchell and Audrey E. Mitchell of Columbia, South Carolina. The payment of such sum shall be in full satisfaction of all claims of the said John A. Mitchell and Audrey E. Mitchell against the United States for the loss of

their son, John H. Mitchell, who died on May 15, 1976, while serving in the United States Navy and whose death, from Hodgkins disease, allegedly resulted from a failure on the part of naval medical personnel to make a timely diagnosis and treatment of such disease.

SEC. 2. No part of the amount appropriated by this Act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, any contract to the contrary notwithstanding. Violation of the provisions of this section is a misdemeanor punishable by a fine not to exceed $1,000.

S. RES. 331

Resolved, That the bill (S. 2347), entitled "A bill for the relief of John A. Mitchell and Audrey E. Mitchell of Columbia, South Carolina", now pending in the Senate, together with all the accompanying papers, is referred to the Chief Commissioner of the United States Court of Claims. The Chief Commissioner shall proceed according to the provisions of sections 1492 and 2509 of title 28, United States Code, and report back to the Senate, at the earliest practicable date, giving such findings of fact and conclusions that are sufficient to inform the Congress of the nature and character of the demand as a legal or equitable claim against the United States or a gratuity, and the amount, if any, legally or equitably due from the United States to the claimant.

By Mr. INOUYE:

S. 2348. A bill to amend the Merchant Marine Act, 1920, by establishing a program of development grants for those seaports located in the domestic offshore States, territories, and possessions of the United States; to the Committee on Commerce, Science, and Transportation.

DOMESTIC OFFSHORE COMMUNITIES SEAPORT DEVELOPMENT ACT OF 1977

Mr. INOUYE. Mr. President, I am introducing today a bill—the Domestic Offshore Communities Seaport Development Act of 1977—that takes necessary cognizance of Hawaii's and its sister noncontiguous States, territories, and possessions', unique and almost total dependence on ocean shipping for movement of its commerce, both interstate and foreign, by authorizing seaport development grants to those public agencies having qualified seaport development projects. The purpose of such grants is to financially assist such agencies in the construction, improvement, or repair of a publicly owned area or facility used for the docking of ocean-going cargo vessels; the receiving, sorting, segregation or delivery of cargo; and for other purposes—all with the objective of modernizing such area or facility and increasing its productive capacity.

If the shipping public and consumers are to have an efficient, lowest possible cost, surface transportation system linking them with the U.S. mainland, it is not enough that carriers performing such service have high-speed, modern vessels in operation. Of equal importance is the presence of modern and efficient seaport facilities through which cargo can be quickly processed and moved to and from the vessel.

Because of congestion and other factors at existing seaport facilities in my own State of Hawaii, this objective of efficiency and lowest cost is not presently realized.

The State of Hawaii's capital budget is necessarily subject to limitations which can result in postponement of, or delay in completion of these important projects at the Port of Honolulu, or other ports in the State. In connection with the financing of such projects, it should be pointed out that the citizens of Hawaii, through the medium of wharfage and dockage charges and other fees assessed by the State's Department of Transportation which are ultimately included in freight charges collected by ocean carriers serving the State, are already paying millions of dollars for the development and maintenance of seaport facilities.

Freight rates are already high and one factor in giving us living costs in Hawaii some 18 percent higher than in Washington, D.C. Federal assistance is essential if we are to achieve some measure of transportation equity with mainland areas. Ocean terminal development assistance for off-shore areas is a logical means of providing such assistance.

ADDITIONAL COSPONSORS

S. 123

At the request of Mr. INOUYE, the Senator from Pennsylvania (Mr. HEINZ) and the Senator from North Carolina (Mr. MORGAN) were added as cosponsors of S. 123, a bill to amend the Social Security Act to provide for the payment of services by psychologists, and for other purposes.

S. 676

At the request of Mr. BENTSEN, the Senator from Texas (Mr. TOWER) was added as a cosponsor of S. 676, a bill to provide loans for small businessmen.

S. 1997

At the request of Mr. INOUYE, the Senator from Oregon (Mr. HATFIELD) was added as a cosponsor of S. 1997, a bill to amend the Internal Revenue Code of 1954 to allow a deduction from gross income for social agency, legal, and related expenses incurred in connection with the adoption of a child by the taxpayer.

S. 2004

At the request of Mr. INOUYE, the Senator from Connecticut (Mr. RIBICOFF) was added as a cosponsor of S. 2004, a bill to amend the Internal Revenue Code of 1954 to permit an individual who is an active participant in a retirement plan to claim the deduction for retirement savings for amounts contributed by him to an individual retirement account, for an individual retirement annuity, or for a retirement bond, to the extent that the amounts paid by him or on his behalf under the retirement plan does not equal the maximum amount of the retirement savings deduction to which he would be entitled if he were not an active participant in such plan.

S. 2119

At the request of Mr. BENTSEN, the Senator from Texas (Mr. TOWER) was added as a cosponsor of S. 2119, a bill for the relief of Calvin Graham.

S. 2250

At the request of Mr. BENTSEN, the Senator from West Virginia (Mr. RANDOLPH) was added as a cosponsor of S. 2250, a bill to amend title II of the Social Security Act to eliminate the waiting periods for disability benefits and hospital insurance benefits with respect to any individual who becomes disabled as a result of a traumatic spinal cord injury.

S. 2300

At the request of Mr. ROBERT C. BYRD (on behalf of Mr. BAYH), the Senator from Connecticut (Mr. RIBICOFF), the Senator from Minnesota (Mr. ANDERSON), the Senator from Illinois (Mr. STEVENSON), the Senator from Colorado (Mr. HASKELL), and the Senator from New York (Mr. MOYNIHAN) were added as cosponsors of S. 2300, the Civil Rights Commission Act of 1978.

SENATE JOINT RESOLUTION 101

At the request of Mr. DOMENICI, the Senator from Washington (Mr. JACKSON) was added as a cosponsor of S. J. Res. 101, a joint resolution to authorize the President to issue a proclamation designating a Memorial Sunday for firefighters who have been disabled or killed in the line of duty during the preceding year.

SENATE RESOLUTION 326

At the request of Mr. KENNEDY, the Senator from South Carolina (Mr. HOLLINGS), and the Senator from Minnesota (Mr. ANDERSON) were added as cosponsors of S. Res. 326, amending the Standing Rules of the Senate to require that reported bills and amendments containing or extending tax expenditures provisions be referred to the Committee on Appropriations and the committees having legislative jurisdiction over the subject matters involved.

SENATE CONCURRENT RESOLUTION 34

At the request of Mr. DOLE, the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of Senate Concurrent Resolution 34, a resolution relating to the Holy Crown of St. Stephen of Hungary.

SENATE RESOLUTION 332—SUBMISSION OF A RESOLUTION RELATING TO THE PRESIDENT'S VISIT TO POLAND

(Referred to the Committee on Foreign Relations.)

Mr. DOLE submitted the following resolution, which was referred to the Committee on Foreign Relations:

S. RES. 332

Whereas the President will hold talks with Edward Gierek, the head of the Polish Communist Party, and other Polish Government officials on questions of mutual concern to the governments and peoples of Poland and the United States; and

Whereas the United States and Poland are signatories to the Final Act of the Conference on Security and Cooperation in Europe, known as the Helsinki Accords: Now, therefore, be it

Resolved, That it is the sense of the Senate

that the President in his upcoming trip to Poland should discuss with officials of the Polish government—

(1) the restrictions imposed on family reunification and emigration, the free flow of information, and the practice of religion in Poland, and the effect of such restrictions on the Polish people; and

(2) the great importance that Americans in general and the Congress in particular attach to compliance with the human rights provisions of the Helsinki Accords.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President.

Mr. DOLE. Mr. President, President Carter is planning to visit Poland this month to discuss with Communist party leader Edward Gierek the various problems that Poland is having and how they can be resolved. One of the major topics of discussion will undoubtedly be the state of the Polish economy.

POLISH ECONOMY UNDER STRAIN

At the present time, the Polish economy is undergoing severe strains in trying to expand its agricultural and industrial base. To offset a worsening shortage of meat, Poland will continue to need grain imports to feed its livestock. Up to now, it has used Commodity Credit Corporation credit to provide a substantial part of its agricultural import financing. However, unless economic conditions improve in Poland, there is a possibility that Poland could in later years become ineligible for this form of credit. As a result, it would have to resort to cash payments to cover its agricultural purchases.

In order to raise the hard cash, its domestic industrial potential has to be developed and at the present time this can only be done by importing Western technology, again with the help of Western financing. In spite of the availability of credits at reasonable rates from the United States through the CCC, the Export-Import Bank, as well as most favored nation treatment, Poland has a $10.2 billion debt and an uncertain future in being able to meet interest and principal payments. According to some financial analysts, in 1980 when many Polish loans mature, it will be hard pressed to meet its obligations.

POSSIBLE POLISH DEBT CRISIS

The problem with the Polish debt is twofold. First, is its debt size in comparison to its exporting capacity, the debt service ratio? According to Eastwest Markets, the Chase Manhattan Bank's newletter, the Polish ratio at the end of 1976 was 47 percent, while 25 percent is considered generally acceptable by western bankers. Second, the total Soviet bloc indebtedness according to the best estimates is $40 billion. Poland alone owes $10.2 billion or more than 25 percent of the total debt owed to western countries.

There are an increasing number of experts who believe that a debt crisis is possible, not just in Poland but in all the eastern bloc and Soviet Union. Richard Portes, professor of economics at the University of London, wrote in the July issue of Foreign Affairs that there would be no easy exit from this crisis and a large default would shake confidence in European money markets.

I have brought up these economic issues because they have a direct bearing on President Carter's upcoming trip.

U.S. CONCERN FOR HUMAN RIGHTS

According to the Washington Post on November 1, 1977, the Poles are "looking for some economic payoff in return for what is expected to be a warm reception for Carter." I find this to be an inadequate payoff. The economic considerations are complex and difficult and to help in their resolution, if even possible, is not going to be easy for the United States and could endanger the stability of Western financial institutions.

If Gierek talks to President Carter about problems close to his heart, then President Carter should bring up the very great concerns we in America have over the Polish restrictions on family reunification and emigration policies. The Polish Government has allowed only 2,000 persons to emigrate a year. At this time there are 145 immediate families—consisting of spouses and their unmarried children—and 832 nonimmediate families—any relatives, either by blood or marriage—still seeking reunification.

RELIGIOUS DISCRIMINATION

Nor is Poland totally without discrimination against believers and without restrictions on their right to profess and practice their religious beliefs free from state interference. Children can only attend public schools, members of religious orders are formally prohibited from teaching in schools, certain documents of the Holy See cannot be published, chaplains are not admitted to prisons and religious processions and pilgrimages require permits which are given only selectively.

These are just a few of the restrictions and harassments that the Polish Government resorts to against believers. And these practices are unacceptable in terms of the Helsinki Final Act to which the Polish Government is a signator. The President should bring up each and every one of these violations. It is for these reasons that I am introducing a sense of the Senate resolution.

SENATE RESOLUTION 333—SUBMISSION OF A RESOLUTION FOR BETTER HEALTH THROUGH NONSMOKING

(Referred to the Committee on Rules and Administration.)

Mr. LEAHY submitted the following resolution, which was referred to the Committee on Rules and Administration:

S. RES. 333

Whereas, it is important that the Senate of the United States be not only a legislative body but also an example-setting body;

Whereas, it has been determined that cigarette smoking is a hazard to the health our citizens and remains the largest single unnecessary and preventable cause of illness and early death;

Whereas, cigarette smoking in enclosed areas results in being detrimental not only to the smoker but also to the non-smoker or "involuntary smoker"; now, therefore be it

Resolved by the Senate that from this day forward cigarette smoking shall be banned from all Senate hearing rooms while a public hearing is in session.

Mr. LEAHY. Mr. President, we have become painfully aware in recent years of the health hazards of smoking. In an effort to reduce the number of smokers, the advertisements have been banned from television and all others must include warnings. We are constantly informed by the American Cancer Society that there is a direct relation between smoking and heart and lung diseases. With all the information we have available to us, it is simply amazing the number of Americans who continue with this most unhealthy habit. We spend millions of dollars each year as we should on cancer research though one of the best preventive methods is right at our finger tips.

The rights of the nonsmoker has become quite an issue lately. We see smoking more and more either banned altogether from public places or being permitted only in restricted areas. I firmly believe that the nonsmoker has the right not to be inflicted with the toxic fumes of another person's cigarette. In that regard, I would hope that the Senate would agree to the resolution I am submitting today which would ban smoking in Senate hearing rooms while a public hearing is in session.

NOTICES OF HEARINGS

COMMITTEE ON HUMAN RESOURCES

Mr. WILLIAMS. Mr. President, I wish to announce that the Committee on Human Resources has scheduled a hearing on Thursday, December 8, 1977, at 2:15 p.m. in room 4232, Dirksen Senate Office Building, on the nomination of Leila I. Kimche, of Maryland, to be Director of the Institute of Museum Services.

SUBCOMMITTEE ON THE CONSTITUTION

Mr. ROBERT C. BYRD. Mr. President, on behalf of the Senator from Indiana (Mr. BAYH), I wish to announce that the Subcommittee on the Constitution of the Committee on the Judiciary has scheduled hearings on S. 2300, the Civil Rights Commission Act of 1978, on Thursday, December 15, 1977, on Wednesday, January 25, 1978, and Thursday, January 26, 1978. The hearings will be held on all 3 days in room 2228 of the Dirksen Office Building.

ADDITIONAL STATEMENTS

DR. LAURENCE WOODWORTH

Mr. HATHAWAY. Mr. President, the United States is diminished today with death of Larry Woodworth. It is difficult to contemplate the loss of such a man—his warmth and grace coupled with technical brilliance will be difficult to replace. His credentials said "Doctor," but to all of us who knew him, it was Larry.

He was serving this country as Assistant Secretary of the Treasury (Tax Policy) at the time of his death. Prior to

accepting that challenging position, he was chief of staff of the Joint Committee on Taxation.

Larry was a remarkable man. He has left his imprint on the solutions to the most technical problems of this country—taxation. His counsel and expertise will be missed as the administration and the Congress wrestle with tax issues.

There is a far greater gap left with Larry's passing. To paraphrase Will Rogers, "I never met a man who didn't like him."

Larry brought a warm and gracious presence to all who knew him. He captivated people with his sensitivity and wit. Larry's integrity and consideration were his hallmarks.

No one can claim a greater honor than to say: "I was a friend of Larry's."

I know we shall all miss him. All of us extend our sympathy to Margaret and the children.

The void left by Larry's death has diminished us all.

Larry Woodworth has left behind an extraordinary record of achievement and as many friends as those who ever met him.

When people ask, "What makes a great public servant?" I shall answer, "Look to the career of Larry Woodworth."

DEATH OF LARRY WOODWORTH

Mr. KENNEDY. Mr. President, Larry Woodworth's untimely death this morning deprives the Nation of one of the ablest and most respected public servants ever to grace the Halls of Congress or the executive branch.

The many public honors he earned throughout his career are a tribute to the extraordinary skill with which he guided the deliberations of Congress for so many years in the sensitive and extremely complex field of taxation and tax policy.

It was natural, therefore, that President Carter, in seeking the best, should turn to Larry Woodworth to fill the high position of chief tax adviser in the Treasury Department, and to be the architect of the President's comprehensive tax reform program.

It is fortunate for the country that his preparation of this program had been so nearly completed in recent weeks. But it is a special tragedy that we shall not have his wise assistance in the future, as the program moves through Congress.

In recent years, taxation and tax reform have been perennial issues before the Senate. Few, if any, pieces of legislation are more complex than the Nation's tax laws. You could tell when floor debate was about to begin on a major tax bill or on a conference report on tax legislation, because Larry Woodworth would arrive a few minutes in advance of the appointed hour, to confer with Senator LONG, or the Senate leadership or the Parliamentarian, or other players in the forthcoming debate.

He was a master at making the hard ones look easy. He would have been a great teacher, because he had the rare ability to decipher even the most arcane passages of the Internal Revenue Code, and translate them into understandable provisions and clearcut policy choices on which the Senate could exercise its judgment.

Our respect for him was enhanced by the realization that he did everything twice. The same skill and judgment that served us so well in the Senate were also constantly at the service of the House of Representatives, as he guided tax measures through that Chamber, too. There are few, if any, more demanding staff jobs on Capitol Hill, and Larry Woodworth performed his dual House and Senate role in a way that earned him the friendship, affection, and respect of all of us.

Part of Larry's immense appeal was his great ability to steer an accurate middle course between conflicting viewpoints on complex issues. His advice and assistance were always available to any side in any debate. None of us ever left a floor debate without new admiration for Larry—not only for his knowledge, but also for his fairness and impartiality. Under his leadership, the Joint Tax Committee staff maintained an unsurpassed reputation for excellence and service on Capitol Hill.

All of us who knew Larry Woodworth deeply regret his sudden and tragic death. I extend my deepest sympathy to his family, and I shall miss him as a friend and wise counselor.

Mr. President, last January, on the occasion of Larry's appointment to his Treasury position, I had the occasion to write a letter to the editor of the Washington Post, expressing my support and respect for him. I ask unanimous consent that the letter be printed in the RECORD.

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

PROMISING APPOINTMENT

I take mild issue with the comment in David Broder's otherwise perceptive column of Jan. 23, to the effect that, in choosing Dr. Laurence Woodworth as Assistant Secretary of the Treasury for Tax Policy, President Carter yielded too easily to the pressure of Sen. Russell Long.

I have no direct knowledge of the moves behind Dr. Woodworth's selection for the position, which is one of the most important jobs in the executive branch. But as a longstanding advocate of tax reform in the Senate, I think it is an excellent appointment, one for which Dr. Woodworth is doubly qualified—as an expert on the tax laws and on the way those laws are written by Congress. I believe the choice of Dr. Woodworth holds great promise for the cause of tax reform and for the early fulfillment of President Carter's commitment to that goal. My only regret is that the administration chose, at least for the present, not to upgrade the position to the level of Under Secretary.

President John Adams once said that, of his accomplishments, the one in which he took most pride was his gift of Chief Justice Marshall to the people of the nation. In a similar vein, it may turn out one of Sen. Long's most notable contributions to tax reform is his gift of Dr. Woodworth to the Carter administration.

EDWARD M. KENNEDY,
U.S. Senator (D-Mass.).

WASHINGTON.

TRIBUTE TO SENATOR JOHN L. McCLELLAN

Mr. WEICKER. Mr. President, I join my colleagues in expressing sincere personal sorrow at the passing of our friend and colleague, Senator John L. McClellan.

Though never his intimate, in my brief service on the Appropriations Committee I have come to know my chairman as a leader worthy of great respect and a gentleman of the highest integrity. As a public servant for more than 50 years, his achievements present an unequaled legacy. His courage and diligence will be truly missed in the U.S. Senate.

DEATH OF SENATOR JOHN L. McCLELLAN

Mr. HUDDLESTON. Mr. President, I would belabor the Senate if I spoke at any length about the late John McClellan's career here in this place because there are those in this body who have served with him for more than a quarter of a century and know firsthand of his achievements. Nevertheless, I do wish to take an opportunity to briefly recount some of the events in John McClellan's life that stand out in my mind.

Mr. President, the stories that we have heard about John McClellan and his purposeful life are legion. Perhaps the one that best exemplifies those characteristics of hard work and careful preparation that marked his career here in the Senate is a story that appeared on the front page of the Sunday St. Louis Post-Dispatch almost 65 years ago. The headline reads "Plowboy at 17 Admitted To Bar Under Special Act of Legislature" and goes on to relate "Arkansas Farm Lad Is Youngest Lawyer in the United States." The news report of that time recounted that young John had been attending school whenever he could spare time from his farm work since he was 4 years old and "reading Blackstone since he was 10." Upon completion of his course of reading law, he passed a "grueling examination," conducted by the "veterans of the circut court in a strange town." He then successfully "applied to the State lawmakers to lift the ban that would bar him from practicing his profession for 4 years," and thus became the youngest lawyer in the United States. I think the extent of John McClellan's achievements come as less of a surprise once one hears that story of unrelenting persistence.

Mr. President, as I returned from the funeral of our late departed colleague, John L. McClellan, I could not help but marvel at the great outpouring of esteem, admiration, and affection for John that took place in Little Rock. The clergy, especially, were extraordinarily eloquent in recounting his long career of public service and accomplishment and his triumph over tragedy and adversity in his private life.

As the Members may recall John McClellan utilized his knowledge of the law to good advantage in the Senate, first in ferreting out the criminal element in the spectacular hearings conducted by the Permanent Investigations Subcommittee of the Government Operations Committee and later in his role as the chairman of the more powerful but less visible Appropriations Committee.

Over the past few years, I have been privileged to serve on the Appropriations

Committee. During that time I came to know John McClellan as a judicious chairman with a singular respect for due process, the country lawyer searching for the facts, impatiently cutting short the irrelevancies. He was always quick to extend every possible courtesy to senior and junior Members alike. For his many personal kindnesses to me I will always be grateful.

As the clergy at John McClellan's funeral recounted, his personal life was marred many times by hardship, anguish, and tragedy. He lost his mother when he was only 3 weeks old. His first two wives died. One son died while serving in World War II. Another was killed in an automobile accident while traveling to the reburial service of the first son. A third died in an airplane crash. He bore these burdens and fortunately he had the opportunity to enjoy the lives of his two daughters, Doris McClellan and Mary Alice McDermott.

Those who knew him better than I tell me that the two sustaining strengths during those difficult years were his faith in God and his present wife, the former Norma Myers Cheatham, whom he married in 1937 and for whom he had the greatest respect and affection.

John McClellan was a self-described conservative "I am proud of it but I am not a conservative to the point of being a reactionary, I am a conservative to conserve the resources of our Nation and preserve the integrity and solvency of our country," he would often say. Many times he has publicly declared that he would "war against crime and criminals, because society cannot withstand these assaults and we will have chaos if the trend is not reversed." These two thrusts constituted his political creed.

Yet, his legacy also includes active support for programs beneficial to his people in Arkansas, for he was a man of compassion with understanding for those constituents who were forced to cope with grinding poverty. He was especially proud of his efforts to secure $1.2 billion for development of the Arkansas River navigation system which now bears his name.

Finally, I mention the effort that may yet prove to be his crowning achievement—the first codification of the criminal laws in the Nation's history, an effort over which he has labored for many years.

Mr. President, I salute the memory of John McClellan, his inspiring leadership, his magnificient energy and his dedication to his country.

Mr. President, I ask unanimous consent that an editorial that appeared in the November 29, 1977, issue of the Washington Post be printed in the RECORD.

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

JOHN LITTLE MCCLELLAN

John L. McClellan, the Arkansas Democrat, was nearing the end of his fifth term in the Senate when he died yesterday at the age of 81. So, his career spanned some enormously important—and occasionally convulsive—changes in the country's public life; and it also brought him the entitlements and rank that go with longevity in office: Sen. McClellan was chairman of the Senate Appropriations Committee when he died, and he had previously been chairman of the Senate Committee on Government Operations. He had played a prominent role in the civil rights battles of the postwar years, the Army-McCarthy hearings, the labor and crime legislation that took shape in the past two decades.

In much of this we had found ourselves on the opposite side from John McClellan, especially where racial and civil-liberties questions were concerned. But none of that alters our view that Sen. McClellan was a man of personal dignity and fairness, who did not abuse his power in the Senate or seek to close out the views of those who disagreed with him. And wherever others, ourselves included, may have fetched up concerning his principal interest—i.e., the creation of conditions that would restore respect for authority in this country—no one could deny the relevance of this preoccupation to our public life in recent years. One didn't have to share Mr. McClellan's conclusions on how to deal with crime to share his outrage at the organized depredations of the labor and Mafia racketeers.

Sen. McClellan does leave one indisputably monumental achievement: the enormous and enormously complex codification of the nation's criminal laws on which he had worked for many years and which he had not so long ago managed to accommodate to the views of some of his critics, such as Sen. Edward Kennedy. The negotiated result, now before the Congress, is legislation of great stature and importance—truly of landmark quality.

We would mention only one further aspect of the senator's record. That is the sad and terrible record of personal tragedy that befell him as a father three times bereaved in a life that was stark and Job-like in its accumulated ordeals. John McClellan fought back, mastered his sorrow, overcame the temptation to self-pity and, with hard work, built a new life. This is a town where accomplishment is often measured in terms of legislative monuments alone. But we put Sen. McClellan's personal strength in the face of adversity at the top of the list of his life achievements.

TRIBUTE TO SENATOR McCLELLAN

Mr. JACKSON. Mr. President, I join my colleagues in paying tribute to a great American, Senator John L. McClellan of Arkansas.

I have been a Member of this body for 25 of the 35 years John McClellan served here. It was my great good fortune to work with him closely throughout those years. I knew him as a wise counselor, a close friend, and as a trusted leader in historic tasks undertaken by this body. The Senate is not the same without him. Mrs. Jackson and I extend our greatest sympathy to Senator McClellan's widow, Norma, and to other family members.

As his colleagues so well know, John McClellan was above all a person of solid integrity. You could count on him: his word was his bond and I never knew him to back down on a commitment.

I discovered this very early after coming to the Senate in 1952. I found myself serving with John McClellan on the Permanent Subcommittee on Investigations, then chaired by Senator Joseph R. McCarthy. Those were dark days, but John McClellan—the ranking Democrat on the subcommittee—was stalwart in opposition to the vilification of witnesses and the arbitrary conduct of the inquiry. He led us in the walkout on McCarthy, and when the Democrats gained control of Congress in 1955 and Senator McClellan became the subcommittee chairman, he promptly authored a set of rules for the conduct of congressional inquiries that provided witnesses a measure of security from harassment, and served the purposes of a bipartisan Congress.

I had the privilege of serving with Senator McClellan for 25 years on the Permanent Subcommittee on Investigations. In 1973, I assumed the chairmanship of that subcommittee when he became chairman of the Senate Appropriations Committee.

No other chairman of a congressional investigating committee in the history of the U.S. Congress produced more substantive results than did Senator McClellan. Senator McClellan's ability as a cross-examiner was unequalled in the Senate. His style was stern but fair. He was judicious in his approach. Friendly witnesses were subject to the same scrutiny as adversaries. The reputation he achieved as chairman of the Permanent Subcommittee on Investigations stemmed mainly from his adherence to the rules of fair play.

When he was still a boy, John McClellan had ridden the circuit with his lawyer father and gained a deep respect for the law. When he was admitted to the Arkansas bar at the age of 17 he was the youngest lawyer in the United States at the time.

From that early start, John McClellan became a staunch guardian of our constitutional, democratic heritage. He believed in protecting and strengthening the standards that encourage fair and lawful relationships among our citizens.

Landmark legislation which he authored was aimed at enhancing law enforcement: the Omnibus Crime Control and Safe Streets Act of 1968 and 1970, and the Organized Crime Control Act of 1970. He exercised a major influence on judicial and legal reform as a member of the Senate Judiciary Committee and chairman of its Criminal Laws and Procedures, and Patents, Trademarks, and Copyrights Subcommittees. Right now, the Senate has under consideration his pioneering piece of legislation: a complete revision of the U.S. Criminal Code.

Senator McClellan, of course, was more than the Senate's leading investigator. He was also an innovative, persuasive, and effective spokesman in Washington for the needs of his own State of Arkansas. He played a major role in bringing new economic growth to Arkansas.

And over the years, in critical votes, John McClellan stood up and was counted for a strong national defense, and for the support of our basic alliances including the North Atlantic Treaty Organization. In the last few years, as chairman of the Appropriations Committee, Senator McClellan continued his responsible consideration of national defense programs.

In his long and productive life, John McClellan gave the full measure of dedication and devotion to the high purposes of this Nation. We shall miss him. He was the kind of statesman-legislator we need today more than ever before.

THE LATE SENATOR JOHN L. McCLELLAN

Mr. EASTLAND. Mr. President, I ask unanimous consent that a telegram addressed to me as President pro tempore of the Senate from the Honorable Peter M. Towe, Canadian Ambassador to the United States, be printed in the RECORD.

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

[Telegram]

WASHINGTON, D.C.,
November 30, 1977.

Senator EASTLAND,
President pro tempore of the Senate,
Dirksen Senate Office Building,
Washington, D.C.

I was greatly saddened to learn of the sudden passing of your illustrious colleague, the late senior Senator from Arkansas, John L. McClellan. His long and distinguished career of service to his country will continue to inspire and provide an example to all Americans. I am sure Sen. McClellan's friends and parliamentary colleagues in Canada would join with me in extending to you and your colleagues in Congress as well as to the family of the late Senator, our deepest sympathies on your great loss.

Sincerely,

PETER M. TOWE,
Canadian Ambassador,
Washington, D.C.

HARD TIMES DOWN ON THE FARM

Mr. TALMADGE. Mr. President, I have great sympathy with the farmers of Georgia and throughout the Nation because of the multitude of economic problems presently confronting them.

I think it can be said without fear of contradiction that this has been a very bad year for farmers and American agriculture.

Farmers all over the country suffered a severe drought last summer which put many of them on the verge of bankruptcy. To complicate an already grave situation, Federal farm disaster loan programs were short of funds and lacking in adequate processing and administration. In an effort to break the logjam, I supported legislation to increase funding for farm disaster loan programs under the Farmers' Home Administration and the Small Business Administration. Also, I personally met in Washington and in Georgia with officials of FmHA and SBA to devise ways and means for streamlining these programs and carrying out the intent of the law in an effort to provide drought stricken farmers with needed aid.

Because of the drought, because of the disaster aid program mess, and because of the agriculture cost-price squeeze, it is no wonder farmers are up in arms. So, as I say. I am sympathetic with the American farmer. Farmers are fully justified in focusing attention on their problems and they have my full support in their efforts to achieve their goals. Their basic goal is neither unreasonable nor unrealistic. What farmers want and what they are fully entitled to is their fair and equitable share of the national income in keeping with their hard work and importance to the American economy.

Agriculture is the Nation's biggest business. It is the most important. It is directly responsible for the employment of 4.4 million people, which is more than the number of jobs in our automobile and steel industries.

Yet, net farm income is down approximately $10 billion less than 4 years ago. While farm income has been going down, the price of everything else, equipment, fertilizer, and energy, has been going up. As a result, farmers are caught in the intolerable situation of having to sell their commodities for less than what they cost to produce.

There appeared in the December 6 edition of the Wall Street Journal an excellent front-page article on this problem. I bring it to the attention of the Senate and I ask unanimous consent that it be printed in the RECORD.

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

FARMERS ARE TROUBLED, AND THE RIPPLES MOVE THROUGH THE ECONOMY

(By Joseph M. Winski)

CHICAGO.—Crop prices are down and U.S. farmers are up in arms.

A new farm group calling itself American Agriculture is calling on farmers to "strike" on Dec. 14—to stop producing crops and stop buying nonessential goods. Agricultural observers acknowledge the flair of the movement's leaders who managed to get thousands of farmers to stage a protest tractor parade in Plains, Ga., a few weeks back, but they doubt that any broad strike will materialize. (See story on page 6.)

There is widespread agreement, however, that hard times have hit the U.S. farmer. And strike or no strike, evidence is mounting that the shock waves from those hard times are beginning to ripple through the U.S. economy.

Nobody knows what the ultimate impact will be, of course. That depends largely on how long the current farm squeeze lasts. Some people say that the squeeze—a product of the generally sagging crop prices and a continuing rise in farmers' costs—could last several years.

On the other hand, farmers' fortunes could turn up again as suddenly as they did in 1972, when large foreign purchases of U.S. grain ushered in a boom in the U.S. agricultural economy.

SOME HOPEFUL SIGNS

Indeed, there were signs in recent weeks that things were looking up for the farmer. The Russian grain crop was reported to be much smaller than originally anticipated, and the Chinese were rumored to be planning large purchases of grain and soybeans. Though the result may be larger foreign purchases than were expected earlier, few observers believe they will be massive enough to bail out the U.S. farmer.

"Things have become a bit more bullish, but not much more," says Dean Chen, head of agriculture for Wharton Econometric Forecasting Associates Inc. of Philadelphia.

So for the moment at least, the farm boom has turned to bust, and the potential effects are considerable. Despite a steady decline in farm employment, the nation's 2.8 million farms still provide jobs for about 4.4 million people, including the principal operator, working family members and hired hands. That's more jobs than are provided by such industrial heavyweights as autos and steel.

Thus, the present financial difficulties of farmers, like layoffs in major industries, could result in large cutbacks in consumer spending for appliances, furniture, automobiles and the like. In fact, some consumer-oriented companies with stakes in the farm community, such as Minneapolis retailer Gamble-Skogmo, Inc., have already reported earnings declines related to reduced spending by farmers.

Probably of greater concern, though, is the likelihood that farmers will be cutting back the sizable spending they do as businessmen. This prospect worries farm-equipment makers, fertilizer companies and other suppliers of goods and services to farmers.

ABUNDANT PRODUCTION

Farmers' present difficulties reflect two straight years of abundant crop production in the U.S. and generally good crops in other countries. The result has been crop prices that farmers say are well below their costs of production.

Despite a rise in prices following a recent flurry of export talk, corn is selling in Chicago for about $2.20 a bushel, down from $2.42 a year ago and from more than $4 in 1974. Wheat is selling in Kansas City for about $2.75 a bushel, up slightly from depressed year-ago levels, but well below the $6-plus levels of 1974. Soybeans and cotton also are selling for well below their peak prices in 1973.

The carryover of unused corn on Oct. 1 amounted to a record 879 million bushels, and record production this year may push the carryover up another 40% by next Oct. 1, analysts say. U.S. farmers are harvesting a record 1.68 billion bushels of soybeans, up a third from last year; soybean carryover stocks are expected to double during the current crop year.

DROP IN EXPORTS PREDICTED

U.S. farm exports managed to rise 5.5% to a record $24 billion in the crop year ended Sept. 30, but they weren't large enough to make much of a dent in the burdensome supplies. Moreover, Agriculture Department analysts say that the value of exports in the current crop year could drop between 5% and 10%, while agricultural imports of such things as coffee and cocoa, which increased by 27% last year, are expected to rise again, to about $13.5 billion.

That won't be good for the country's trade balance because agricultural exports are the one consistently positive contributor to the U.S. balance of payments. In four of the last 10 years, such exports were responsible for the country's receiving more money in exports than it was shelling out for such things as imported oil. And exports have a so-called "multiplier effect." In the case of agriculture, the government estimates that every $1 increase in exports adds another 90 cents of income to the rest of the economy.

Another possible side effect is an increase in the number of farmers seeking off-farm employment. Even in flush times, farmers rely heavily on off-farm income; last year such income accounted for 59% of the total income received by farmers. Continuing declines in income, observers fear, probably would raise the number of farmers looking for other jobs, and at a time when unemployment among nonfarmers remains high.

The plight of the farmers extends far beyond the farmstead in another important respect. All taxpayers are affected because the government is back in the agriculture business. Under recently enacted farm legislation, it will make subsidy payments to wheat farmers of more than $1 billion by the end of the year.

Not all farmers find themselves in dire straits. Low prices for feed grains have considerably brightened the outlook for livestock producers, for example, and large-scale, efficient farmers who haven't plunged heavily into debt in recent years should be able to weather the storm quite nicely, says Gene Hamilton, economist for the American Farm Bureau Federation.

But on the whole, farmers appear to be in

far worse shape than they were a few years ago. Even including government support payments, farmers' realized net income this year is expected to be about $20 billion, down from $21.9 billion last year and more than a third lower than the record $29.9 billion of 1973. Mr. Chen of Wharton Econometric says his firm expects a further decline this year, to about $19.5 billion.

Last year's average income per farm, the Agriculture Department says, was $7,885, compared with a peak of $10,529 attained in 1973.

Not surprisingly, recent surveys by the Federal Reserve banks of Chicago and Minneapolis indicate a sharp increase in the number of bankers who say farmers are having loan-repayment problems.

It now appears that the drop in commodity prices may be leading to what some observers feel would be the most telling development of all: a drop in the value of farmland. Average national farmland prices haven't fallen since the 1950s, and they've risen 114 percent in the last five years alone. The sharp rise is the major reason total U.S. farm assets reached a record $643 billion last year, according to the Agriculture Department.

But the Federal Reserve Bank of Chicago reports that farmland prices in its district (Iowa and most of Illinois, Indiana, Michigan and Wisconsin) declined 1.2 percent in third quarter as compared with the second. The bank said the decline was the first in its district since the fourth quarter of 1960. The Federal Reserve banks in Kansas City and Dallas also reported slight declines for most categories of farmland in the third quarter.

Rising farmland prices have been crucial to the continued spending increases by farmers. By virtue of their landholdings, many of them have achieved net worths of more than a million dollars, and thus are able to borrow to finance further spending. A downward trend in land prices would mean reduced borrowing power and otherwise seriously imperial the economic health of farmers and those industries that depend on them.

Bearing the immediate brunt of current conditions, probably, will be that large chunk of U.S. agribusiness that supplies the farmers with what he needs to produce. Farmers last year spent more than $60 million on such goods and services.

The farm-equipment industry already appears to be slumping. Sales held up through the first half of the year but began dropping in July. Through October of this year, according to the Chicago-based Farm and Industrial Equipment Institute, tractor sales were down 6.9 percent to 125,507 units. Sales of the large four-wheel-drive tractors that were the industry's hottest item a few years ago have been hardest hit, plunging 28 percent through October.

Fertilizer producers were the glamour companies of agribusiness during the farm boom. Between its fiscal years 1973 and 1975, for example, International Minerals & Chemical Corp.'s earnings increased nearly sevenfold. It's agricultural earnings have fallen since then, and domestic fertilizer earnings might do so again in the year ending next June 30. Richard A. Lenon, president, says the company expects foreign demand should be strong.

Businesses that buy farm products rather than sell things to farmers—makers of bakery mixes, for example—can benefit in a time of abundant supplies and low farm prices. And at least one industry that sells things to farmers—makers of grain-storage bins—is doing fine. Butler Manufacturing Co. says it can't keep up with demand from farmers who want a place to put their grain until prices rise.

WATERWAY USER CHARGES: WHAT IS AHEAD ON THE WATERWAYS

Mr. DOMENICI. Mr. President, the Federal Government has spent several billions of dollars in recent years to construct new and improved inland navigation projects. Each and every one of these projects was built at taxpayer expense. And each and every one is being used by the barge industry without a penny of charge.

The Corps of Engineers has estimated that there are some $7.5 billion in new navigation projects now under construction or authorized and awaiting construction.

Moreover, new navigation ideas continue to pop up, ones the Congress has not even considered as yet and are not included in the $7.5 billion figure. For example, one of the latest involves a recommendation from the corps' North Pacific division to replace Bonneville lock, the lowermost lock on the Columbia-Snake River waterway. It is estimated that a new 675-by-86-foot lock would cost $94,300,000. It would provide nearly twice the capacity the corps estimates will be needed in the year 2040.

The corps is also studying plans to extend navigation into Kentucky and West Virginia tributaries of the Big Sandy River well beyond the 7 miles now dredged for navigation. There is talk of reviving navigation on the Pearl River Canal system between Louisiana and Mississippi, at full taxpayer expense.

This is all being considered for an industry that has received more net subsidies than all other transportation modes put together, according to the Library of Congress. It is an industry that annually receives a taxpayer subsidy of $2 on every $5 in revenues, according to the Congressional Budget Office.

I do not believe Congress will ever be able to develop a rational consideration of new waterway projects until we can assure the taxpayers that the users of these waterways are paying a portion of the cost of the projects. This point was underlined effectively in a recent Senate report 95–215 that evaluated the need for waterway user charge legislation:

> It will be increasingly hard to win taxpayer, and thus political, approval of continued financing for new work on the waterways without some form of user charge. A gradual imposition of a reasonable user charge system meets that problem.

Mr. President, I ask unanimous consent that a partial list, prepared by the Corps of Engineers, of some $10 billion in inland projects finished in the past decade, plus those under construction and those authorized but not yet initiated, be printed in the RECORD.

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

CORPS OF ENGINEERS INLAND NAVIGATION PROJECTS

OPERATIONAL STATUS ATTAINED AFTER JANUARY 1, 1967

Project:	*Total Federal cost*
Alabama-Coosa River	$178,400,000
McClellan-Kerr Arkansas River Navigation System	1,029,210,000
John Hollis Bankhead Lock and Dam, Black Warrior and Tombigbee River	53,400,000
Calcasieu River Salt Water Barrier, Calcasieu River	4,197,000
Cordell Hull Dam and Reservoir, Cumberland River	78,100,000
Freshwater Bayou Lock, Freshwater Bayou Channel	7,116,000
Kaskaskia River Navigation	127,160,000
Opekiska Lock and Dam, Monongahela River	25,200,000
Hannibal Locks and Dam, Ohio River	87,500,000
Willow Island Locks and Dam, Ohio River	76,700,000
Belleville Locks and Dam, Ohio River	62,200,000
Racine Locks and Dam, Ohio River	65,900,000
Cannelton Locks and Dam, Ohio River	97,300,000
Newburg Locks and Dam, Ohio River	106,900,000
Uniontown Locks and Dam, Ohio River	99,100,000
Temporary Lock 52, Ohio River	10,100,000
Jonesville Lock and Dam, Ouachita/Black Rivers	43,700,000
Columbia Lock and Dam, Ouachita/Black Rivers	33,300,000
Total	2,185,483,000

UNDER CONSTRUCTION

Project:	*Total estimated Federal cost October 1976 price levels*
Bayou La Fourche and La Fourche Jump Waterway	$11,500,000
Mississippi River Regulation Works between Ohio and Missouri Rivers	151,000,000
Missouri River, Sioux City To Mouth	450,000,000
Smithland Locks and Dam, Ohio River	243,000,000
Temporary Lock 53, Ohio River	37,200,000
Pelsenthal Lock and Dam, Ouachita/Black Rivers	61,420,000
Callon Locks and Dam, Ouachita/Black Rivers	45,577,000
Red River Waterway, Shreveport to Mississippi River	905,000,000
Tennessee-Tombigbee Waterway	1,410,000,000
Wallisville Lake, Trinity River	28,800,000
Total	3,343,497,000

AUTHORIZED FOR CONSTRUCTION, WORK NOT INITIATED

Project:	
Big and Little Sallisaw Creek Navigation, Arkansas River Basin	$1,200,000
Coosa River Channel, Montgomery to Gadsden	500,000,000
Gulf Intracoastal Waterway, St. Marks to Tampa	185,000,000
Gulf Intracoastal Waterway, Petit Anac, Tigre and Carlin Bayous	4,260,000
Gulf Intracoastal Waterway, Rigolets Lock	14,125,000
Gulf Intracoastal Waterway, Seabrook Lock	20,995,000
Gulf Intracoastal Waterway, Vermillion Lock	20,600,000
Illinois Waterway Duplicate Locks	769,000,000
Kansas River Navigation	5,000,000
Mound City Locks and Dam, Ohio River	277,000,000
Red River Waterway, Shreve-	

port to Daingerfield, Texas	355,000,000
Project:	*Total Federal cost*
Trinity River	2,010,000,000
Yazoo River	130,000,000
Total	4,272,180,000

ELLSWORTH H. MORSE, JR.

Mr. HUDDLESTON. Mr. President, I wish to call to the attention of the Senate the sudden passing of Mr. Ellsworth H. Morse, Jr., Assistant Comptroller General of the United States, on November 29. Mr. Morse, an employee of the GAO for 31 years, was an extraordinarily able and experienced policy adviser to the Comptroller General for many years and was the deserved recipient of the National Civil Service League Career Service Award.

As chairman of the Legislative Appropriations Subcommittee, I have been very interested in the work of the General Accounting Office in stimulating improvement in Federal Government accounting practices. Mr. Morse was long active in both Federal and private efforts to promote the financial management disciplines throughout the Federal Government.

My sympathies are extended to Mr. Morse's wife and daughters, to Comptroller General Elmer B. Staats who lost a trusted friend and adviser, and to the employees of the General Accounting Office who have lost an experienced and dedicated leader.

By unanimous consent, I request that a portion of the official statement of the General Accounting Office be inserted in the RECORD at this point.

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

STATEMENT

Mr. Morse's career in the General Accounting Office spans many years and his contribution to its development is hard to overstate. He loved the GAO and was completely dedicated to its mission. High professional and ethical standards—which he personally epitomized—were basic to the policies and standards which he did so much to establish and maintain for the General Accounting Office. His sights were high and he held these high standards as always before us.

DICK MOORE

Mr. MATHIAS. Mr. President, at the end of this month a respected Maryland journalist, Richard L. Moore, will retire as editor of the Salisbury Daily and Sunday Times.

When Dick Moore first joined what was then the Salisbury Times, front page stories carried such headlines as, "Four Killed, Five Lost in British War," just before the start of World War II, and "Jack Garner Home, Is Glad Of It," which told of that irrepressible Vice Presidents return to his home in Uvalde, Tex.

Dick Moore has touched on nearly every major story since then in some journalistic capacity, and he has done so with insight and judgment that have deservedly earned him the respect of his peers and his readers.

In a career that spanned 38 years as a reporter, photographer, and editor, Dick became recognized throughout Maryland and the Delmarva Peninsula as a "compleat" journalist, and a man of unquestioned integrity.

After 12 years as editor of the Times, he is retiring a year short of the mandatory age to pursue a semi-retirement career in free-lance writing and public relations. His contributions to his community and to the world of communications have been many.

On November 28, WBOC–TV and Radio in Salisbury broadcast a farewell editorial to Dick Moore. It well sums up the regard with which we in Maryland hold him, and I would like to share it with my colleagues, for Dick Moore is a leader and a man one is privileged to have as a friend.

Mr. President, I ask unanimous consent that the WBOC editorial be printed in the RECORD.

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

DICK MOORE

When a person has been on the job with a particular company for a long period of time, and in leadership capacity, there seems to be a tendency to consider him as the embodiment of all that a particular organization actually is. One person who would fit that general description would be Dick Moore, editor of the Daily Times. And when Dick would be the first to admit that the growth of that paper has been an organizational affair . . . and not an individual feat . . . the fact remains that to many people, Dick Moore is the Daily Times.

Now, Dick is going to retire at the end of the year . . . and we had to let you know how happy we are for him, but how we also shall miss him. Richard L. Moore joined the paper in 1939 as a reporter . . . became managing editor in 1942 . . . and upon the death of Oscar L. Morris twelve years ago, became the editor. He has seen the paper grow from an 8 page, 4,000 daily circulation paper to what it is today . . . and while company growth is never a one-man job, his efforts were part of the pattern.

We can remember the days when call letters on our microphones were blacked out if they were going to be visible in a picture to be printed in the daily paper—and we were not always charitable in our comments either. But those days have long gone . . . and there exists mutual rapport and respect between the printed and electronic press in this town . . . and Dick Moore had much to do with this.

His retirement comes a full year ahead of the mandatory age. He has things he wants to do . . . including free-lance writing and public relations work . . . and he is an expert with a camera too.

Dick Moore has fully earned his retirement. We will miss him, but wish him well. We suspect he will continue to contribute to the community, even though his efforts will no longer be made over the editor's desk.

BANKERS AND CONSUMERS WORK TOGETHER IN WISCONSIN

Mr. PROXMIRE. Mr. President, a meeting recently took place in Madison, Wis., which typifies the cooperative relationship between bankers and consumers that has developed in Wisconsin.

The Wisconsin Bankers Association recently sponsored a daylong seminar designed to improve communications between consumers and bankers. Consumers were encouraged to speak their minds on the whole spectrum of banking issues and services. In addition to answering questions, bankers conducted workshops designed to explain the provisions of various Federal and Wisconsin consumer protection laws.

This seminar is a good example of how bankers and consumers have cooperated in Wisconsin for their common good. Another excellent example is the Wisconsin regulations in the EFT area. Last year, bankers, consumer groups, and State regulators sat down together and jointly agreed on consumer safeguards in EFT systems which are the most comprehensive and progressive in the Nation.

Our experience in Wisconsin illustrates that the air of combativeness which often exists between bankers and consumers is unnecessary. It makes sense for bankers and consumers to get together and trade ideas, and I hope that this attitude will be adopted in other States as well.

Mr. President, I ask unanimous consent that a recent article from the American Banker describing this conference be printed in the RECORD.

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

[From the American Banker, Dec. 5, 1977]

BANKERS HEAR PUBLIC'S VIEWS AT WISCONSIN BANKING ASSOCIATION PANEL

(By James Rubenstein)

MADISON, WIS.—The Wisconsin Bankers Association acted as host recently for an unusual all-day financial information conference aimed at letting consumer leaders voice their concerns on banking issues directly to banking industry representatives.

The educational session, designed primarily to help clear public confusion on consumer protection laws and regulations, included presentations by bank regulators and Wisconsin bank presidents who answered questions from the participants on everything from debit card reconcilement and equal credit rules to Truth-in-Lending violations and escalator clauses.

During one segment of the program, the bank regulators and Wisconsin BA lawyers assumed the roles of bank officers and customers to dramatize potential violations of bank consumer laws.

The skit as well as the entire day's events was prepared under the guidance of a Milwaukee consumer counseling firm hired by the Wisconsin BA last June as part of a year-long program to upgrade banking's image in the state and lessen the combative atmosphere between banks and consumer groups.

Contending the banking industry is undergoing an historic upheaval in the way it treats its customers, John C. Geilfuss, president of the Wisconsin BA, told the 50 consumer leaders his trade group seeks to promote an active "give and take" between financial institutions and consumer organizations.

In this way, he explained, it can avoid the confrontations that have existed in other parts of the country between these groups.

In some cases, these clashes have become needlessly "automatic" but might have been avoided had the two sides tried to resolve their differences through "workable, mutually beneficial ways," declared a 100-page notebook distributed to the conferees.

Beside emphasizing the cooperative theme, the color-coded pamphlet contained synopses in outline form of the various consumer laws and regulations which Wisconsin banks must comply with.

Many of the speakers addressing the gathering told the consumer heads that the plethora of laws and regulations have become highly burdensome to banks and eventually the compliance costs will be passed on to the public.

"We are finding that we have to spend long hours training our loan officers to comply with these regulations taking away valuable time which should be spent in teaching them how to handle difficult loan situations," asserted Lee E. Gunderson, president of the $10.8 million-deposit Bank of Osceola.

In the long run, he said, communities will suffer if local banks are unable to function as credit providers because of excessive regulatory burdens.

Discussing other areas, John F. Kundert, president of the $46.5 million-deposit Commercial & Savings Bank, Monroe, urged the consumer representatives to seek out their bankers for advice on financial matters as they would look to their family doctors for medical advice.

"The banker has nothing to sell you," Mr. Kundert told the audience assembled in a student center on the University of Wisconsin campus.

He said that as insurance agents, accountants, tax men and members of other professions are selling their services, the local banker can become an impartial source for advising customers on financial subjects.

Robert C. O'Malley, president of the $63.8 million-deposit United Bank & Trust Co. Madison, said banks remain "guardians of privacy" for their customers by refusing to carelessly divulge information about their financial habits or personal lives.

He said banks only "grudgingly" provide the data to government agencies and then "only under court order."

In the meantime, he said banks are asked to act as "policemen for the world" in supplying the Internal Revenue Service interest rate reports for income tax purposes.

Theodore I. Arneson, president of the $10.6 million-deposit Barneveld State Bank, also emphasized banking's defense of privacy in handling customer accounts, adding that consumers should recognize the strong role played by community banks, particularly in one-bank towns.

Questioned by the consumer representatives about commercial banking's apparent withdrawal from home financing, the bank presidents maintained that residential loans, particularly in smaller institutions, make up a larger portion of their portfolios than ever before—even though some banks would prefer that this not be the case.

Mr. Gunderson, a candidate for 1978 president-elect of the American Bankers Association, said the Osceola bank has 40% of its loans in residential mortgages, adding "we work together with our savings and loans" in sharing home financing for the community.

The bank presidents agree that rural banks are currently in a better position regarding loan demand than their urban counterparts. Mr. Kundert said, "I think there are some big city banks which like to have our problem."

Despite a rise in agricultural and residential demand, loan-to-deposit ratios in some cases have become uncomfortably high, the bank president agreed. The state average is 67%.

Mr. O'Malley said United B&T is experiencing a 73% loan-to-deposit ratio as a result of booming business activity in the state capitol and as a result of inflation factors affecting all customers.

Much of the questioning by the consumer leaders came in a panel discussion of electronic funds transfer systems led by J. Frederic Ruf, president of TYME Corp., a Milwaukee-based EFT related firm which was formed by banks in the area and James L. Brown, acting director of the University of Wisconsin Extension Center for Consumer Affairs, Milwaukee.

"How do we help motivate people to keep track of their checking records in EFT?" asked Louise Young, of the University of Wisconsin extension service in Madison and a past president of the Wisconsin Consumers League, referring to the problem that debit card customers have in reconciling EFT transactions with regular checks.

"I don't really have the answer to that one," Mr. Ruf replied, adding that it will require the public "to change its habits" to adapt to the new EFT environment.

Besides being president of TYME Corp., Mr. Ruf is also vice president of the $636 million-deposit M & I Marshall & Ilsley Bank, Milwaukee.

In his remarks, Mr. Ruf acknowledged there is indeed "an element of fear" in EFT but consumers are not alone in expressing alarm over what seems like a "loss of ability to master their own affairs."

Small banks, too, he said, fear the advent of EFT because they see larger institutions taking advantage of them. Despite these concerns, the industry as a whole looks at EFT as beneficial because it reduces paper volume and at the same time provides a convenient service to the public.

Commenting on the recently-issued report of the National Commission on Electronic Fund Transfers, Mr. Brown, an attorney representing the extension service, said that despite the passage of EFT laws in many states, including a liberal measure in Wisconsin, there remains a "legal vacuum" in EFT, an area which to date "is sparsely regulated."

Taking part in the role-playing skits—moderated by Wisconsin BA attorney Lawrence Bugge—were Robert Patrick, legal counsel to the Wisconsin Commissioner of Banking; Richard Victor, assistant attorney general for the Wisconsin Department of Justice and John Knight, Wisconsin BA general counsel and partner in the "Madison firm of Boardman, Suhr, Curry & Field.

In the dramatization, Mr. Bugge, a partner in the firm of Foley & Lardner here, blew a whistle each time a violation occurred in the re-enactment of two scenes involving a loan officer and a borrower and the loan officer and his superior, a bank president.

During the conference, speakers cited the generally amicable meetings between BA executives and Wisconsin consumer groups which have taken place over the last four years in enactment of the EFT law as well as the 1973 passage of a model consumer act which has been used by other states across the country in dealing with consumer protection, defaults, holder in due course and rate limitations.

Mr. Geilfuss, who is also chairman of the $439.1 million-deposit Marine National Exchange Bank, Milwaukee, noted in his opening remarks that "there are darn few things we can't iron out if we can only sit down and talk with one another."

Since the Wisconsin BA began its consumer enlightenment program last spring Mr. Geilfuss and other members of the association leadership have met frequently with newspaper, radio and television reporters across the state "to show bankers as human beings," according to Mary B. Kuester, a partner in Consumer Concepts, Inc., the Milwaukee counseling firm hired by the Wisconsin BA to handle the program.

Starting Dec. 11 Wisconsin bankers will appear on a weekly TV show answering questions from media representatives on banking topics, Ms. Kuester said. Taping of the first program to be paid for by the Wisconsin BA is to begin Dec. 3.

A probable title for the series will be "Money in the Bank."

Aside from EFT, Truth-in-Lending and rural loan demand, the Madison conference also dealt with some of the most complex technical areas of consumer legislation including lengthy sessions on "Multiple Party and Agency Accounts" and "Rights of Recission."

Other laws covered included the Real Estate Settlement Procedures Act, Fair Credit Reporting Act, Fair Credit Billing Act and the Equal Credit Opportunity Act.

Ironically a frequent question put to the bankers and regulators was "How does a person like me get into banking?" The replies focused on the wide opportunities available to individuals with varied skills.

Apart from the direct appeal of the Wisconsin BA to foster "improved communications" with consumer leaders, bankers attending the Madison conference also supported commercial bank savings rate equality with thrifts.

Bryan K. Koontz, executive director of the Wisconsin BA, warned the group of the "dislocation of deposits" as a result of the differential on savings and he said studies show that "a lot of money moves for a quarter of a point."

He said the rate advantage afforded thrifts "discourages people from doing business with a bank" and the end result is that local communities suffer the loss of lendable funds to sustain a healthy economy.

"You couldn't have picked a better audience—consumer leaders—to give such a message," remarked one industry official after Mr. Koontz finished his remarks, "these people are the ones whom legislators really listen to.

TRADING WITH VIETNAM

Mr. HUMPHREY. Mr. President, a publication of the U.S. Department of Agriculture recently carried an article which reported that Vietnam's grain import needs for 1977 will reach a minimum of 1 million tons. Vietnam's import needs, which have been generated by a persistent drought, will be met by a number of our leading agricultural trade competitors, including Canada and Argentina.

I must share with my colleagues my feeling of concern that not 1 ounce of these imports will directly come from U.S. granaries. This is particularly distressing, given our unprecedented trade deficit and our depressed prices caused by overflowing stocks. To deny ourselves this market does not make sense to me in either political or economic terms.

Our self-imposed prohibitions on food exports to Vietnam are, for practical purposes, ineffective. There is no meaningful way to safeguard against the transshipment of U.S. grains by second parties to Vietnam. We, in the Senate, can legislate all we want, but in the end there is no guarantee that the food we produce will not show up in the prohibited nation. Even if food from U.S. farms did not go to these countries, our exports to favored nations would simply displace their domestic requirements, allowing this new surplus food to be transshipped, thereby improving their own trade balances.

In 1977 the Vietnamese will purchase 200,000 tons of wheat from the Soviet Union; 120,000 tons from Canada; 50,000 tons from Sweden; 17,680 from the Netherlands and the European Community; 100,000 from India (on loan) and about 200,000 tons from other sources. France, Turkey, and Argentina are shipping more than 150,000 tons of flour, and Thailand has sold the Vietnamese 50,000 tons of corn and 30,000 tons of rice.

Mr. President, I am not able to calculate what percentage of this market the United States could tap. I have no assurance of even an indication that the Vietnamese would buy U.S. food if we wiped out our prohibitions. I do know, though, that if we choose to continue the status quo, we will never find out. Instead, we will only be able to watch our competition make significant inroads in this market.

In closing this statement, I would like to point out that France, which dominated the Vietnamese peninsula for several decades before leaving in humiliating defeat in 1954, is now one of Vietnam's leading trade partners. There is, in my opinion, no sound reason to deny ourselves this obvious trading opportunity. To do otherwise is to penalize American commerce.

SENATOR ABOUREZK ADDRESSES THE NATIONAL CONVENTION OF RURAL AMERICA

Mr. ANDERSON. Mr. President, on Monday of this week my colleague from South Dakota, Senator ABOUREZK, delivered a very important speech to the National Convention of Rural America. Senator ABOUREZK had some very important observations to make on the current crisis in energy and agriculture, and I ask unanimous consent to have the address printed in the RECORD.

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

WE CAN'T EAT NOSTALGIA: A BRIEF FOR MEETING THE REAL NEEDS OF RURAL AMERICA

I welcome this opportunity to speak with you this morning because—frankly—the time has come for serious discussion about the real problems confronting the survival of the foundation on which this country was built—the rural American.

During the past year we have been forced to endure the bipartisan bombast of the Bicentennial and its attendant turgid excesses. But now reality has replaced the rhetoric—and what do we find? Too many pay homage to the ideals professed in the Declaration of Independence—that "all" are created equal—that we as citizens have certain "unalienable" rights, among which are "Life, Liberty and the Pursuit of Happiness"—that when "any Form of Government becomes destructive of these Ends, it is the Right of the People to alter or abolish it. . . ."

But these hopes and beliefs have been temporized—and traumatized—by the agents of social conformity—and reinforced by their surrogates in the churches, the schools, official pronouncements and the organs of mass communication. Rather than honor diversity and dissent, we decry it.

For too long the official governmental reality has been that all are created equal—except—foreigners with whom we have gone to war, Blacks who have not been singled out for "special" attention, Indians who will not submit, Latinos who treasure their language and cultural heritage, women who no longer will be servile, the elderly who are powerless—and anyone without money.

What are most alienable are the lives of young men sent off to die in unjust wars and the liberties of people helpless against authority. Should any group of people choose to challenge the prevailing assumptions of the power elite—that of greed and exploitation—the government, resorting to the righteous rhetoric of national security, now asserts its right to alter or abolish those challenges through harassment, persecution, imprisonment—and even murder. It is in this context that Richard Helms is able to walk the streets a free man, wearing his "badge of honor" while the Wilmington Ten languish in jail for their "crimes" of defending their own civil rights.

In the same vein, Lincoln's hope for a government of the people, by the people—and for the people has been subverted by the oligarchy of power which controls both the Republican and Democratic parties. Today, our government is, in too many instances, a government of the few, by the few—and not for you, the ordinary citizen—without power, and without money to obtain power.

How did this sad state of affairs come to pass? Do we have the power to promote—and pass—progressive legislative reform? What can you—as a collective umbrella organization—do to help? Let's try to examine these questions in the context of these basic problem areas confronting rural Americans today:

First of all, the necessity for providing basic human services in the areas of housing, health care, education and employment.

Secondly, the necessity for securing the survival of the small farm, the cornerstone of rural society.

Thirdly, the regional, national and global impact of the so-called energy crisis.

In 1890, the U.S. Census Bureau formally proclaimed the closing of the American frontier, a myth soon certified as "historical fact" in Professor Frederick Jackson Turner's famous essay. In the same year, 1890, a supposed "final solution" to the Indian problem was effected by the bloody massacre of the Sioux at Wounded Knee. The "official" closing of the frontier intensified the ongoing struggle for economic primacy between the rural-agrarian and urban-industrial forces in our society.

The first real trauma in effecting this transition occurred in 1893, with the onset of the first industrial depression in our history. In Massilion, Ohio, Jacob S. Coxey, a successful businessman and a Populist with a conscience, called for action. He wanted the government to act as an employer of last resort. He asked for training and jobs for the dispossessed farmers and unskilled workers victimized by the machine age. To dramatize both his program and the tragic consequences of mass unemployment he led "a petition in boots" to Washington. He and his army marched to the very steps of the national Capitol. There Coxey passionately proclaimed that: "Up these steps the lobbyists of trusts and corporations have passed unchallenged on their way to committee rooms, access to which we, the repiesentatives of t toiling wealth producers, have been denied." The Congressional response was to have Coxey arrested for treading on the Capitol lawn without a permit. Contrary to Bob Dylan's words, the times haven't changed that much. . . .

To make matters worse for rural Americans, the numbers—the money—and the power—have steadily moved to the other side. In 1790, the first nationwide census revealed that more than 95 percent of the country's population were engaged in some form of agricultural endeavor. By 1920 the Census Bureau had decreed that, for the first time in our history, America could now be labeled as an urban, rather than a rural nation.

The Great Depression afflicted all, but the combination of New Deal reforms and the prosperity engendered by the second World War rescued millions from the blight of economic disaster. Major portions of urban and suburban America rushed forward in mad pursuit of the bitch goddess, Success. They left trampled in the dust the millions of rural America to be content to diet on the leftovers of shattered dreams and broken promises. For too many Americans the horrors depicted in John Steinbeck's Grapes of Wrath and the portrait of privation described in James Abee's Let Us Now Praise Famous Men are still an everyday reality of life.

Starkly stated, the facts of the rural crisis cry out for prompt—and constructive—resolution. As an intoduction to the enormity of the problem, consider the following:

In a nation of 214 million people, rural Americans comprise 31.4 percent of the total population.

But of all persons 65 years or older, 36.6 percent are rural residents.

Of all persons 25 years or older having less than a high school education, 36.7 percent are rural residents.

Approximately 60 percent of all subsidized housing is located in rural areas. More than 60 percent of all Indians living on reservations are forced to live in housing requiring either total replacement or substantive rehabilitation.

More than 30 thousand smaller rural communities lack safe water systems. The absence of adequate waste disposal systems affect millions more.

The median family income in rural America is less than 80 percent of its urban counterpart.

Woman in rural America comprise only 20 percent of all women of child-bearing age, but they account for 50 percent of all maternal deaths in the country.

Since 1955, the infant death rate among Indians has been halved. However, the current rate is still 50 percent higher than for the general population. The national death rate for Indian women is still 20 percent greater than the national average.

In 1973 the ratio of population to physician nationally was 1 to 768. In rural areas it varied from 1 to 1,432 in the larger towns to as much as 1 to 2,512 in isolated rural areas. Since 1963 the number of counties without a single physician has increased from 98 to 135. In a large number of rural counties the number of doctors has declined.

More than 26 million Americans cannot afford to purchase an adequate diet. Over 11.2 million of them received no assistance through the Federal food program. Of this number more than half live in rural America.

Unemployment in much of rural America is more than double the national rate. There is a direct correlation between unemployment and the number of people living on incomes below the poverty level. Nowhere is this more acute than among the Indian population. The 1970 Census reported that 48.8% of the Indian population had incomes below the poverty line. This was more than 3½ times the national rate, and even twice the incidence of poverty among all rural people.

What is being done to revise this discouraging trend? What can be done through concerted pressure from organizations such as yours to improve the situation? Let's examine some of the current programs and possibilities.

At present the major federal housing and community facility programs for rural areas are operated by H.U.D., the Farmers Home Administration and the Community Services Administration. To be blunt, the delivery systems for providing proper services are either outmoded, redundant, or too restrictive, in terms of a priori mandates. Too often the majority of programs pit small towns against urban areas in an unequal contest for funds. In too many rural areas, the lack of trained housing personnel is the biggest impediment to the effective operation of delivery systems. The best solution might be the creation of a new independent department, operating under the aegis of the Rural Development Act of 1972. A department which would embrace all the current functions of H.U.D. and the U.S.D.A., while promoting the most effective coordination of federal, state and local activities in these areas. If properly implemented this would accomplish the twin objectives of improved delivery services at less cost to the taxpayer.

It should be obvious to everyone here that the time is long overdue for a national health care program. We can not tolerate one day longer the barbaric notion promulgated by the American Medical Association that proper preventive and restorative health care is a privilege and not a right. Nor should we tolerate piecemeal, patchwork solutions such as the Appalachian Regional Development Act of 1965 which, in the first ten years of "service" to rural counties in thirteen states, spent more than 60% of its total budget for highway construction, while less than 10% was spent on regional health care.

Nor should we be willing to accept the way in which the present Administration has handled the funding of the Indian Health Care Improvement Act of 1976 (P.L. 94-437). The President's proposed budget for Fiscal Year 1978 requested only about one-fourth the amount authorized by the Congress. Moreover, HEW failed to fully implement the bureaucratic regulations of Title I under the Act. This would have provided hundreds of thousands of dollars in scholarship money for health care professionals currently in training for service to the Indians. As a result, almost three hundred medical students around the country, including some at schools such as South Dakota, Stanford, the University of California at Berkeley and the University of Rochester were denied scholarship funds for the Fall semester. Some of them had to drop out of school because of the government's bureaucratic incompetence.

What is needed—now—is a national health care program which guarantees full medical, dental and hygienic treatment. The Kennedy-Corman bill is only the first step in this direction. A much more comprehensive measure, and one which fully meets the needs of rural America, is that introduced by Congressman Ronald Dellums of California (H.R. 6894).

The situation in rural education has reached crisis proportions. A 1975 Census Bureau survey found that more than two million rural adults have been exposed to less than five years of formal education, and thus were considered to be functionally illiterate. 24.1% of all Black adults and 30.7% of all Hispanic adults in rural areas had dropped out of school by the fifth grade. Sadly, the trend continues. At the present time more than 5% of all rural school aged children are not enrolled in any school. This is a non-enrollment rate nearly double that of urban areas.

While the major burden for making reforms in this area rests with the state and local agencies, the federal government could make a solid contribution through the sponsorship of rural in-service training programs designed to meet specific curriculum and student needs. They might also consider the possibility of federal subsidies to rural areas with a low property tax base or a teacher-subsidy program designed to offer competitive salaries as a means of attracting dedicated—and competent—teachers from more wealthy regions of the country.

II

There can be no doubt that the small farmer is the hub of rural American society. He must be the cornerstone of any foundation for rebuilding a vital—and viable—rural America.

On the economic battlefields of production, prices and trade the American farmer has always been asked to be first in war. But he has been relegated to last in peace—and he is seldom in the hearts of his countrymen when the need arises for the passage of progressive legislation . . . legislation which would insure the individual farmer his fair share of the economic profit pie.

Worst of all, in times of economic stress and depression, it has always been the farmer who was first asked to turn the other cheek and to make sacrifices for "the good of the country." Well, the farmer has turned all four cheeks in recent years—and what does he have to show for it? A left hook from a disdainful public, a right uppercut of Executive and Congressional indifference, and two swift kicks in the rear from the agribusiness "insiders" and the oil companies.

Make no mistake about it—we are in the midst of a life and death struggle to preserve the best of agricultural America—the small farm—from exploitation by those who farm the farmers. . . . The commercial grain traders, the packing houses, the agribusiness conglomerates, and the money men who provide the financing.

Sad to say, the problems—and the power—confronting the farmer are basically the same as they were a century ago when the Populists made an heroic effort to change the face—and fabric—of American society.

Now—as then—the farmer is confronted with an ever-higher mortgage indebtedness. His cost of production is too high for the price he receives. The land-owning farmer's only "salvation" today is an increase in the loan value on his land. He can't receive prices that return his costs, but he can borrow more on his land. So farmers now have the "privilege" of staying in the farming business—if—they will pay the price in higher interest rates and greater mortgage debt.

Now—as then—the farmer is the captive of unfair transportation rate structures, arbitrary grain grading standards and price fixing. Adverse marketing arrangements are too often dictated by such agribusiness moguls as Bunge, Continental Grain or Cook Industries.

The classic example of this rip-off mentality at the expense of the farmer was the Great Grain Robbery of 1972. Thanks to the secretive duplicity of the Commerce Department and the venality and stupidity of officials in the Department of Agriculture, the Russians cornered a quarter of the world grain market. The agribusiness "insiders" were able to make millions more in profits because of their exclusive knowledge of the pending sale.

In both the short and long term the American farmer suffered, because of the poor public image pinned on him. Without really profiting from the sale, he was further victimized by the inflationary spiral of escalating production costs. The biggest factor here was the fourfold increase in energy prices in the wake of the O.P.E.C. oil embargo. As a result of the search for easy scapegoats and the ideological paranoia prevalent in certain areas of our society, the American farmer has been inhibited in recent years from aggressively seeking new markets for his products.

The search for new markets at home and abroad must be intensified. Let me offer some suggestions. The use of government buying power, whether at the federal, state, county or municipal level—to support small, local producers is a potential source of revenue. If the buying power of federal agencies, including the military, state institutions, school systems, day-care centers, etc. were re-directed to aid small farmers, the income impact could be measured in billions of dollars.

On the international scene, consider the following. A recent study by the Food and Agriculture Organization (F.A.O.) reveals that, because of drought and other severe climatic conditions, there are already drastic crop failures and food deficits this year in at least fifteen major countries, including China, the Soviet Union and Egypt, among others.

Think of the possibilities of re-opening agricultural trade with Cuba, a country which used to be the 7th largest importer of U.S. agricultural products. And what about the prospects for trade with the Arab states of the Middle East? Think what a reciprocal exchange of food for oil would mean for the economies of both countries.

In a world in which at least 15 million children will die of hunger and malnutrition this year—wouldn't it be better to have this government more concerned with the expansion of our agricultural markets than with the incessant promotion of arms sales to all comers, regardless of ideology? If we can export missiles to the Arabs, AWACS to Iran, jets to the Israelis, computers to the Poles and Romanians, corporate bribes to the Italians and the Japanese, and kidnapping and assassination to Chile and Korea, then why can't we ship our agricultural exports to whomever we want—and at fair prices and profits—without government interference or collusion with the corporate middlemen? Think about it. . . .

At the present time the two biggest obstacles to the survival and growth of the family farm concept are the menace of agribusiness conglomerates and the indifference of the Department of Agriculture. It is a statistical fact that small family farm units are much more efficient than conglomerate farms. Conversely, the only areas in which conglomerate agribusiness displays any efficiency is in gathering capital and obtaining huge amounts of credits. This enables them to accumulate more land in order to control—in many instances—all aspects of production—from the seed to the supermarket.

Thus I am gratified to see that Rural America plans to take an active role in the question of acreage limitations for federal reclamation projects. This is a crucial problem area, for there are 9 million acres irrigated by federally supplied and subsidized water. Much of this land is owned by non-farming absentee investors who pay only 18% of the actual cost for irrigation while their rural counterparts are expected to pay 64% for the same type of service.

There is a two fold opportunity here for constructive action. The Interior Department, prodded by a lawsuit from the National Land for People group, has issued new regulations which would limit ownership to 160 acres per direct family member. They would also impose much stricter residency requirements.

Secondly, I have introduced, along with Senators Nelson, Metcalf and Haskell, the Reclamation Lands Family Farm Act. As framed, this bill is a frontal assault on the power of the agribusiness conglomerates and the absentee owners. It would also enable those who cannot afford to purchase the land outright to lease it with an option to buy. Hearings on the bill are scheduled for late January. It faces a difficult course, so it will

require your vigorous support for successful passage.

I have also introduced an additional bill which would make rural water supplies more available to all rural residents at more reasonable rates. A special word of thanks is due here to the National Demonstration Water Project. Their data gathering efforts and pilot projects have been instrumental in focusing attention on this neglected area.

I am also pleased to note that this conference will be devoting some of its sessions to alternative agricultural methods and to agricultural research.

Earlier this year, I held hearings on this subject, and was strongly impressed by the evidence indicating the urgent need to move away from chemical, energy and capital intensive agricultural practices of the recent past. If we persist in the current overuse of chemical pesticides we are laying the groundwork for the total destruction of the soil and the highest cancer rates in the history of the planet.

In the realm of agricultural research, the Department of Agriculture, in spite of protests to the contrary, has continued to subsidize giant corporate agribusiness, at the expense of the research needs of the small farmer.

A close examination of the Federal Research and Development budget provides a pathetic commentary on our inverted priorities. The defense budget consumes 48% of the total, with space research a distant second at 16%. Agricultural research is a paltry 2% of the total—approximately $700 million. The overwhelming portion of this figure goes exclusively for the promotion of agribusiness interests.

The Congressional hearings which I chaired in October dealt with the current research priorities of the Agriculture Department. The findings clearly indicated that small farms are not receiving the attention they deserve from government and land grant college research. Even worse, at the present time, there is no long range plan or focus in the Department of Agriculture research program. The Agriculture Department, in these hearings, pledged more of their future resources to the concerns of small farmers. But, like you, I am more interested in performance than promises. It is our mutual task to hold the Department up to intense public scrutiny until these services are delivered.

III

Finally, it cannot be emphasized too strongly—that rural America—and the family farm—*cannot long survive* if energy prices continue to rise at their present rates. It is the farmer who has been—and will be—the first to feel the catastrophic impact of a new round of energy price increases before any other segment of our economy. Every piece of machinery that is used in farming requires a great deal of energy for its manufacture. When that machinery is used in the fields it requires even more energy for operation. Natural gas, which is used to heat 60% of the homes in this country, is also the basic element in the production of farm fertilizers used in massive amounts throughout the country.

So let me lay it on the line—rural America ought to have the biggest stake in constraining the power of the Big Oil companies. . . . Companies whose sole motivation for acting in this manner at the present time is their unmitigated greed. I'm here to tell you that the American oil industry has no concern whatever for the public interest. Their only concern is to maximize their profits, and they will use any means available to them, legal or illegal, to achieve their objective.

In 1956, when the oil industry first tried to deregulate natural gas in the Congress, they attempted to bribe South Dakota Senator Francis Case. But Senator Case reported the bribe attempt and publicly denounced the oil industry from the Senate floor. That sent them scurrying like rats down a hole, and there they remained for almost twenty years.

In 1973, the oil industry saw a golden opportunity for achieving its objective—the renewal of war in the Middle East. They attempted to exploit the crisis by claiming the existence of a severe supply shortage. In this manner they tried to coerce the Congress and the public into raising both oil and natural gas prices—whether or not such prices were needed for additional research and production. The renewed attempt at deregulation, in the form of an amendment proposed by then Senator James Buckley of New York was defeated by only two votes in the Senate.

However, the oil industry continued to attack. Encouraged by promises from a Federal Power Commission under Richard Nixon's control that deregulation was inevitable, the oil industry made the withholding of natural gas reserves an integral part of its basic strategy. The dual purpose of this move was to create artificial shortages and to save their gas reserves for the day that deregulation would come. So in 1975, Senators Bentsen of Texas and Pearson of Kansas offered another deregulation amendment which passed, 50 to 41. Fortunately, the House of Representatives refused to accept total deregulation, which is tantamount to an express train to economic oblivion for the American farmer and consumer.

It is important that we look behind the facade of oil industry propaganda and get at the true facts of the situation. When the Arab nations placed an embargo on their oil exports in 1973, only 6 to 10 percent of our annual oil imports came from that region. Seventy percent of the oil we used was produced right here in the U.S. But the oil companies scapegoated the Arabs and pocketed billions of dollars in profits—at the expense of American consumers.

Make no mistake about it—it was the unconscionable increase in the U.S. oil prices that sent tidal waves of inflation cascading across the American economic landscape. One needs only to examine the profit margins reported by the major oil companies during the past three years to grasp the full dimensions of the oil industry's total disregard for the public's welfare.

In the same vein, the oil companies lied to the Congress and the public about last year's shortages. They were not caused by a supply shortage. The real reasons were the unusually severe winter of 1976–1977 and the demonstrably inadequate gas transmission facilities currently in use.

This year, faced with a new round of scare tactics and arm-twisting seldom, if ever, seen in the Congress, I joined with Senator Howard Metzenbaum of Ohio in trying to slow down the oil industry's steamroller.

We began one of the most difficult tasks in the U.S. Senate, a prolonged filibuster designed to prevent the oil industry from having its way on the issue of deregulation. After a thirteen day struggle we lost by four votes. But I think we accomplished one major objective. After two weeks of bitter floor fights in the U.S. Senate, the American public is finally aware of the oil industry's blatant attempt to plunder the public purse.

However, after being involved in the U.S. Senate with the President's proposed energy bill for the past year, it's my firm conviction that Mr. Carter should withdraw his support from the bill that is emerging from the joint energy Conference Committee of the Congress.

Why? Because it is a case study in utter chaos and confusion, something which reminds me of the lines from Carl Sandburg's poem, "Under the Capitol Dome". In that poem he noted that:

There are those who speak of confusion today as though yesterday there was order rather than confusion.

There are those who point to confusion today as though if given a chance they could tomorrow transform it into order.

There are those who find benefits in confusion and make it a labor of delight to render any confusion more confounded.

The President's original bill was, at best, a mixed blessing. Now that the Congress has eliminated nearly everything from the bill except higher prices, the bill stands as a bizarre commentary on the concept of government by committee.

It is crucial to realize that neither the President's original proposals, nor the disastrous bill that the Congress is currently negotiating, go to the core of the energy problem. To be very candid, the United States cannot continue for very long its dependence on ever more costly fossil fuels and nuclear power. The inevitable, catastrophic consequences will be the total ravaging of our environment and permanent economic subservience to Big Oil.

Listen for a moment to some somber facts that you won't find in the public relations media blitz perpetrated by the oil companies. Their theory is that the difference between rape and seduction is the degree of salesmanship. What they won't tell you is that the top twenty oil companies in this country control 84% of the production process, 92% of the pipeline shipments, and 80% of the refinery business.

Even more ominously, the top twenty oil companies are now expanding their tentacles of control to other sources of energy. In the past five years they have obtained control of almost 40% of the nation's known coal deposits. At the present time 7 of the 15 largest coal companies are subsidiaries of the oil companies. Note also that, as Big Oil's coal ownership increased, so have coal prices—up 300% in the past five years. In the field of nuclear energy deposits a similar pattern is developing. Responsible estimates indicate that Big Oil now controls well in excess of 50% of all known uranium reserves. As for shale and geothermal lands, virtually all those leased to date have gone to the oil companies.

So for our own economic and environmental survival a constructive long-range solution must include the conversion to so-called renewable resources like solar and wind power. Any new energy bill must require mandatory conservation measures such as honest minimum mileage standards on cars, a stringent ban against the wasteful burning of natural gas to produce electricity, and a long-range program to rebuild the nation's decaying rail system.

Any sound national energy policy must focus on conversion to solar energy, not conversion to coal—on natural gas obtained from alcohol and new processes like bioenergy—not deregulation of gas prices—on research to perfect solar energy—and not on the mortally perilous pursuit of a nuclear energy economy.

In conclusion, our mandate is simply this. We must prevail over the James Schlesingers of this society—that is—IF—we want to leave our children a legacy of sanity and safety in the search for new energy sources.

So the message I bring today is not one of happiness—but of hope—not one of despair—but of dedication—not one of complacency—but of commitment. It is a commitment to do what is right and best for all our citizens, especially those most in peril from the avarice of the affluent and the indifference

of political incumbents. Like Woody Guthrie, we are secure in the knowledge that this land is our land—and we intend to keep it. But, like Langston Hughes we will no longer tolerate a concept of a dream deferred.

The crisis has been upon us and the time for action is now. All of America needs Rural America's best efforts. I pledge mine. I hope you'll do the same in the days and months ahead.

Thank you very much.

DO NOT FORGET GENOCIDE

Mr. PROXMIRE. Mr. President, the last few weeks have witnessed a rekindling of interest in human rights issues with three important actions.

First, President Carter recently went before the U.N. General Assembly to sign two human rights accords.

Second, Secretary of State Cyrus Vance has spoken out against the discriminatory actions of the South African Government against the black majority. These repressive actions included such actions as arresting black leaders, closing of black newspapers, and further restriction of movement of blacks. His statements were followed by U.S. support of a resolution establishing an arms embargo against South Africa.

Third, introduction and passage by the House of Representatives of a resolution protesting recent acts of repression by the South African Government is another significant development. This resolution is the first of its kind to pass the House of Representatives and President Carter personally called Representative CARDISS COLLINS, the sponsor of the resolution with congratulations.

Human rights issues are among the most important issues facing the world community today. I am pleased and reassured to see such concern and forthright action by leaders of both branches of our Government.

It is ironic though, that the Genocide Treaty, one of the most basic human rights, has been forgotten.

America's role as a spokesman for human rights around the world has been jeopardized by our failure to ratify the Genocide Treaty. I am deeply disturbed that the United States has apparently decided to make genocide a "back burner" issue. This is inconsistent with every recent action taken by the United States. The basic right of a group of people to exist can never become a "back burner" issue. For this reason I urge my colleagues to quickly ratify the Genocide Treaty.

CONGRESS AND ADMINISTRATION ACT ON HUMAN RIGHTS POLICY

Mr. HUMPHREY. Mr. President, during the past year, the United States has moved boldly to make human rights a central tenet of its foreign policy. This new emphasis on human rights has restored the link between our Nation's own democratic values and our foreign policy. It stresses the rights and dignity of the individual and allows each American to understand better the direction of our foreign policy. The executive branch has now begun the task of instituting this new policy emphasis on human rights when it makes decisions on foreign assistance.

Many of the basic guidelines of America's human rights policy have been set by the Congress. This especially true in the case of countries receiving U.S. foreign assistance. During the past 2 years, Congress has enacted legislation linking a country's human rights performance to all four major kinds of foreign assistance: security assistance, bilateral development assistance, multilateral assistance, and Public Law 480 food aid. To insure that human rights considerations are factored into U.S. assistance policies, Congress has established certain procedures and guidelines for the executive branch to follow. In addition, the Congress has requested reports on human rights practices in each country for which security and economic assistance has been requested.

The guidelines have been set and we are now entering a period where the implementation of these guidelines will be crucial. The laws enacted by Congress must be implemented vigorously but with balance. The executive branch must strive for consistency in implementing these laws but it must recognize that each case presents a different set of facts. It must also implement these laws in such a way that the poor people of a country are not punished because of the repressive action's of their leaders. I am concerned, for example, about a recent case in which Public Law 480 food assistance to more than a score of countries was delayed while State Department officials made judgments about human rights situations in those countries. There are also instances in which America's security interests are involved with the security of foreign aid recipients whose human rights practices are questionable. In such cases, the U.S. must vigilantly continue its diplomatic efforts for human rights reform in those countries without adversely affecting U.S. security interest in the process.

As the Subcommittee on Foreign Assistance undertakes its effort to rewrite the Foreign Assistance Act of 1961 we will carefully review U.S. human rights policy, its implementation, and its impact. The staff has recently done a preliminary report cataloging human rights legislation, its implementation, and its impact. I commend it to the attention of my colleagues.

Mr. President, I ask unanimous consent that this staff report be printed in the RECORD.

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

RECENT HUMAN RIGHTS LEGISLATION AND ITS IMPLEMENTATION

This memorandum contains a brief review of recent human rights legislation, its implementation, and some recent positive developments which may be in response to U.S. policy.

TAB A—Legislative guidance related to human rights and foreign assistance;

TAB B—Human rights legislative sanctions on specific countries (1976–1977);

TAB C—Executive Branch implementation of legislative guidance on human rights.

The following preliminary conclusions might be drawn from the three tabs and other information available to the staff.

LEGISLATIVE RECORD

Congress has now passed legislation providing human rights guidance for all major military and economic aid programs.

Specific aid sanctions have been legislated or agreed to against 18 countries in the 1976–77 period and subsequent Administration action has affected an additional 15. In total, aid to 33 countries has been affected in some way. (See Tab B).

In 13 legislated cases military aid was affected and in 12 cases economic aid was affected.

Seven countries have been especially hard hit in FY76 and FY77 by both economic and military sanctions (Argentina, Cuba, Chile, Cambodia, Laos, Vietnam, and Ethiopia). Aid to Uganda has been prohibited since 1973.

The recent human rights focus in Congress has been on the IFIs (both for general guidance and specific sanctions) in part because these funds reach some countries with whom the U.S. has no bilateral programs.

Appropriations legislation has increasingly served as a vehicle for sanctions.

Decisions on specific legislative sanctions appear to be made on an ad hoc basis.

In some cases committee report language or non-binding resolutions are used in lieu of sanctions because of U.S. national security interests (i.e., South Korea) or because of the concern that reprisals might be forthcoming (the Case Resolution condemning murders in Uganda).

IMPLEMENTATION

The Executive Branch has taken steps to implement all four provisions of law relating to aid sanctions for human rights violators. (Tabs A & C).

In many cases this implementation is symbolic, consisting of opposition in IFI assistance, delaying assistance, and sending demarches.

At least 25 countries have been affected by such Administrative action and in 15 cases there were no specific legislative sanctions against these countries.

Much of this action has not been publicized.

In terms of U.S. aid programs, Chile remains the only country formally designated by the U.S. with having a "consistent pattern of gross violations of human rights."

A new interagency human rights coordinating mechanism has been established but coordination problems still exist.

IMPACT

The Administration cites 19 developing countries in which it believes that at least cosmetic progress has been made recently in human rights. In at least 7 of these 19 cases, some action was taken which threatened or halted U.S. assistance.

It is premature to judge the effects of U.S. human rights policy on national security objectives and the traditionally non-political IFIs.

NEW INITIATIVES

The Administration has already taken steps to reward countries for improvements in their human rights record (i.e., by providing additional P.L. 480 to Peru in 1978 and signing the 1977 FMS agreement with Nicaragua).

New proposals are currently being considered to expand the use of P.L. 480 as a human rights tool.

Congressman Pease has introduced legislation in the House to establish a trade ban on Uganda.

TAB A: Legislative Guidance Related to Human Rights and Foreign Assistance.

1. SECURITY ASSISTANCE

Section 301 of the International Security Assistance and Arms Export Control Act of 1976 created a new Section 502(b) of the FAA. This provision 1) states that it is U.S. policy that no security assistance be provided to any country that engages in a consistent pattern of gross violations of human rights; 2) requires annual individual country reports on the status of human rights in the eighty or so countries that receive security assistance; 3) establishes a new position of Coordinator for Human Rights at State to be confirmed by the Senate, the objective being that human rights factors be given a bureaucratic priority; 4) establishes a procedure whereby the Committee can request a human rights report from State on any individual country. The Congress, by point resolution, could reduce, terminate, or restrict security assistance to that country after triggering this request for the individual report.

2. BILATERAL DEVELOPMENT ASSISTANCE

Section 116 of the Foreign Assistance Act of 1961 prohibits provision of development assistance to the government of any country which engages in a consistent pattern of gross violations of internationally recognized human rights unless such assistance will directly benefit the needy people in such country. In determining whether a government is engaged in such conduct, the Administrator of AID considers in consultation with the Assistant Secretary for Human Rights and Humanitarian Affairs the extent of cooperation of the government in permitting investigations of violations by international organizations and specific actions which have been taken by the President or Congress relating to multilateral or security assistance because of human rights practices.

The Act also requires a report concerning the status of human rights in each country receiving development aid and the steps the Administrator of AID has taken to alter U.S. development aid programs in any country because of human rights considerations.

The International Development and Food Assistance Act of 1977 earmarked $750,000 in FY 78 for studies to identify and openly carry out program and activities which encourage or promote increased adherence to civil and political rights.

3. P.L. 480 FOOD AID

The International Development and Food Assistance Act of 1977 added a Human Rights provision to P.L. 480. Section 112 of P.L. 480 now prohibits Title I sales to any country which engages in a consistent pattern of gross violations of internationally recognized human rights unless such sales will directly benefit the needy people in the country. The provision states that, for the purposes of this section, Title I sales will not directly benefit the needy people unless either the commodities themselves or the proceeds from the sale will be used for specific projects or programs which the President determines directly benefit the needy people. Further, the law requires that a Title I sales agreement shall specify how the projects or programs will be used to benefit needy people. The provision also calls for a report to the President within 6 months after the commodities are delivered on how the program benefits the needy.

The P.L. 480 amendments also include a requirement to consider the extent of cooperation of the government with international investigations of its human rights practices and a full and complete report regarding steps the President has taken to carry out the provisions of the section in the annual presentation materials.

4. INTERNATIONAL FINANCIAL INSTITUTIONS

Section 701 of the omnibus International Financial Institution Act of 1977 (P.L. 95–118) requires the U.S. Government to advance the cause of human rights with its voice and vote in the international financial institutions including seeking to channel assistance toward countries not guilty of human rights violations or harboring hijackers, and opposing (vote no, abstain, vote present) assistance to those who are, unless that assistance is directed specifically to basic human needs. In addition, Section 701 requires the U.S. Government to (1) take into consideration in determining whether a country is guilty of human rights violations, its cooperation with international agencies conducting investigations, (2) initiate a wide consultation to develop a viable standard for basic human needs and protection of human rights, (3) seek to channel assistance to projects which address basic human needs, (4) instruct the Executive Directors to take into consideration in carrying out their duties specific actions on bilateral assistance programs relating to human rights, the extent to which the assistance will directly benefit needy people, whether the recipient country has detonated a nuclear device or is not a State Party to the Nonproliferation Treaty, and whether Vietnam, Laos, and Cambodia have provided a more substantial accounting of American MIAs. The human rights sections of the Inter-American Development Bank and African Development Funds Acts are repealed. Finally, a report to Congress on the implementation of this provision is required one year after enactment. Subsequently, amendments concerning prohibitions of multilateral aid to specific countries were considered for the FY 1978 Appropriations Bill (see Tab B for details).

TABLE B.—HUMAN RIGHTS RELATED LEGISLATIVE SANCTIONS ON SPECIFIC COUNTRIES (1976–77)

Country	Military					Economic			
	FMS credits on guarantees	FMS sales	Commercial sales	Military assistance (MAP)	Military training (IMET)	Multilateral aid (IFIs)	Bilateral development aid	Supporting assistance (SSA)	Food aid (Public law 480)
Latin America:									
Argentina	(3)	(1)	(1)	(1)	(2)			(1)	
Brazil	(3)								
Chile	(4)	(4)	(4)	(4)	(4)		(4)	(4)	
Cuba	(11)	(11)	(11)	(11)	(11)	(5)	(11)	(11)	(11)
El Salvador	(3)								
Guatemala	(3)								
Nicaragua	(6)								
Uruguay	(7)			(7)	(7)				
Africa:									
Angola						(5)		(9)	
Ethiopia	(8)	(8)		(8)	(8)			(8)	
Mozambique						(5)		(9)	
Tanzania								(9)	
Uganda						(5)			
Zambia								(9)	
Asia:									
Cambodia	(11)	(11)	(11)	(11)	(11)	(5)	(11)	(11)	(11)
Laos	(11)	(11)	(11)	(11)	(11)	(5)	(11)	(11)	(11)
Philippines	(10)			(10)	(10)				
Vietnam	(11)	(11)	(11)	(11)	(11)	(5)	(11)	(11)	(11)

FOOTNOTES

[1] Section 11 of the International Security Assistance Act of 1977 prohibits the following types of assistance and sales to *Argentina* after September 30, 1978: FMS credits and sales, commercial arms sales to the Government of Argentina, grant MAP, IMET, and SSA. The September 30, 1978 date would put Argentina on notice but would allow Congress to review Argentina's response. No authorization was provided by FY78 FMS credits since they were rejected by Argentina.

[2] The FY78 Appropriations Act prohibits IMET for *Argentina* in 1978.

[3] The FY 1978 Appropriations Act prohibits FMS credits for *Argentina, Brazil, El Salvador,* and *Guatemala* for FY78 after those countries rejected all FMS credits in response to President Carter's human rights policy. The President had announced limited human rights cuts for Argentina, Ethiopia, and Uruguay.

[4] Section 406 of the International Security Assistance and Arms Export Control Act of 1976 prohibits the following types of assistance and sales to *Chile:* FMS credits and sales, commercial sales, MAP, IMET, and SSA. It also prohibits all deliveries of military equipment and placed a $27.5 million ceiling on bilateral development aid unless the President determined that human rights improvements were made.

[5] The Young/Crane/Ashbrook Amendments to the House FY78 Appropriations bill would have prohibited the use of direct or indirect assistance to *Cuba, Vietnam, Cambodia, Laos, Uganda, Mozambique,* and *Angola.* This primarily affects the IFIs (indirect) since no bilateral aid was requested or authorized for any of these countries and in most cases previous law prohibits such bilateral aid. In a letter to Rep. Long the President stated that for FY 1978 he would instruct U.S. Executive Directors of the IFIs to vote against loans to these seven countries and tied this decision to Congressional human rights concerns. The Long Amendment was subsequently dropped in conference.

[6] The SFRC Committee Report for the International Security Assistance Act of 1977 indicated that Committee approval is necessary before any FMS credits are disbursed to *Nicaragua* by FY 1978. Appropriations language prohibiting 1978 FMS credits to Nicaragua was dropped in conference. The Administration has obliged already authorized FY77 FMS credits for Nicaragua but has with-

held bilateral economic assistance pending a human rights review. Bilateral economic assistance can be obligated at any time while FMS credits must be obligated before the end of the fiscal year.

[7] The FY 1977 Appropriations Act (Section 505) prohibited FY77 funds for MAP, IMET, and FMS credits to *Uruguay*. No funds were requested or authorized for these programs to Uruguay in FY 1978. The FY78 Appropriations Act specifically prohibits use of funds for these three programs in Uruguay.

[8] The International Security Assistance Act of 1977 adds a Section 620B to the FAA to prohibit MAP, IMET, SSA, FMS credits and sales, and deliveries of USG financed military equipment to *Ethiopia*. The President can waive the prohibitions if this is in the national interest. The FY 1978 Appropriations Act similarly prohibited MAP, IMET, and FMS credits to Ethiopia in 1978 without a specific waiver provision.

[9] The International Security Assistance Act of 1977 prohibits the use of SSA funds for *Mozambique, Angola, Tanzania,* and *Zambia* unless the President determines such aid to be in the U.S. foreign policy interest. The prohibition was not explicitly linked to human rights by the conference report.

[10] The FY 1978 Appropriations Act reduces the FMS credit request for the *Philippines* by $1.5 million, the MAP program by $1.5 million, and the IMET program by $100,000; and stated the reason as human rights violations.

[11] The International Development and Food Assistance Act of 1977 prohibits provision of aid to *Cuba, Cambodia, Laos,* and *Vietnam*. The conference report notes that other statutes put trade restrictions on these countries.

TAB C.—EXECUTIVE BRANCH IMPLEMENTATION OF LEGISLATIVE GUIDANCE ON HUMAN RIGHTS

The following actions have been taken by the Executive Branch to implement legislation on human rights:

Security assistance

The Administration has delayed or halted some or all security assistance to 12 countries. It declined to sign the FY77 FMS agreement with Argentina. All arms sales to South Africa were halted under the UN Security Council Resolution.

Bilateral development aid

Loans to 6 countries have been delayed or dropped, and demarches linking U.S. aid and human rights policies have been sent to 9 countries. Aid to Chile was cut to zero in FY78 and obligation of FY77 aid to Nicaragua was delayed.

P.L. 480

A proposed increase in food assistance to a West African country was rejected and demarches are being considered in several cases.

IFI loans

The U.S. has abstained in 8 proposed IFI loans including those to South Korea, Ethiopia, Benin, and the Central African Empire. It voted against loans to Argentina and Chile. It further has sent 25 demarches relating the U.S. position on human rights to future loans.

Administration testimony and statements indicate that the Executive Branch has taken some action related to human rights in 25 non-European countries, including the following:

Latin America

Argentina, Brazil, Chile, El Salvador, Guatemala, Haiti, Nicaragua, Uruguay.

Africa

Benin, Central African Empire, Ethiopia, Guinea, South Africa, Uganda.

Asia

Philippines, South Korea, Thailand, and possibly Indonesia.

Middle East

Iran.

In 15 of these 25 cases there were no specific legislative sanctions against the country in question.

THE PASSING OF DR. LARRY WOODWORTH

Mr. GRAVEL. Mr. President, at this time, mere words seem to belittle the accomplishments of our steadfast associate and friend, Dr. Larry Woodworth. The Nation has lost a dauntless public servant; the Congress has lost a friend. Larry will be missed for his professional ability and his human traits. His passing should make us all reflect on the price this Nation exacts for selfless public service. I am shocked and greately saddened that so vibrant and vital an individual was with us one day in person, and was gone the next. As I pause to pay my personal respects to him, I am confident Larry will serve as an example to all of us. I am thankful that he was with us as long as he was. I will miss him.

STRATEGIC MOBILITY AT SEA

Mr. INOUYE. Mr. President, recently Rear Adm. John D. Johnson, Jr., Commander, Military Sealift Command, delivered a very timely address on our need for a strong and viable merchant marine if we are to have strategic mobility. By "strategic mobility," Admiral Johnson means the combination of people, equipment, procedures, and plans required to move men and equipment to any part of the world in response to a shooting war, political contingency or natural disaster.

To those of us closely involved with our national policy to promote a strong and viable merchant marine, Admiral Johnson's pessimistic assessment of our present merchant cargo resources comes as no surprise.

In the days ahead when Congress considers legislative proposals to support our national shipping policy, we would all do well, in my judgment, to keep Admiral Johnson's remarks in mind.

I, therefore, ask unanimous consent that his address be printed in the RECORD.

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

ADDRESS BY ADMIRAL JOHNSON

I am delighted to have been invited to speak to you today and to share with you some of my thoughts. Although I am a rather recent arrival to the maritime world, I have been impressed from the very start by the need for a strong community voice and by the outstanding efforts of the Propeller Club to help generate and sustain such a voice. The maritime industry and Department of Defense need desperately to be heard and our many and severe problems must be articulated accurately and with enough volume to be understood, not only by the administration but by the American public as well. We are all in trouble and our situation is not getting any better. This state of affairs has been repeatedly publicized and was again highlighted during the recent Propeller Club convention in Galveston.

The health and welfare of the merchant marine is of very special concern to me as the Department of Defense sealift commander. Sealift is a critcal element in virtually all of our contingency plans, and failure of the sea link in an emergency would almost assuredly spell disaster. So how do we stand today.

During the next few minutes I would like to give you a quick overview of our sealift capabilities as they appear within the broader framework of strategic mobility. I trust my comments will strike an even balance, and will not overstress the negative aspects.

When I speak of strategic mobility I am talking about the combination of people, equipment, procedures and plans required to move men and equipment to any part of the world in response to a shooting war, political contingency or national disaster.

Note that I said combination. It is essential to recognize that the core of strategic mobility is a closely coordinated system, not a group of unrelated, uncoordinated individual elements. Thus, while sealift is without question a major component, it cannot function in isolation. Ships, aircraft, trucks, trains, the human element, and a vast inventory of management devices must all respond to a bewildering array of requirements like a well-oiled machine. There can be no mismatches, no disconnects and no petty quarrels. Teamwork, reinforced by solid planning and exercising is the order of the day if we are to assure mobility of our forces.

Our mobility team is a complex entity that must be capable of functioning within a broad spectrum of scenarios ranging from an all-out NATO conventional war to brush fires, evacuation of American citizens, and disaster relief.

The diversity of these scenarios and the vastness of the world stage require our country to maintain a means of response that is both rapid and flexible. Mobility assets must be of the highest quality and must be ready to respond at the drop of a hat. This is not an easy matter, for our mobility resources are geographically dispersed, in short supply and frequently optimized to civilian rather than defense needs. This last comment is not, by the way, voiced as a criticism, but merely recognizes that the complexion of our civilian mobility resources is regulated by economic considerations, and appropriately so.

We have only to glance at the globe or to flick through the pages of recent history to realize that sealift has been, and will certainly continue to be, an essential and major player on this strategic mobility team.

I well realize that this is obvious to such a distinguished audience. I don't mean to insult your intelligence by dwelling on this fact of life. However, I have found from bitter experience that the role of sealift has in recent years been increasingly misunderstood and misinterpreted.

Typical of this is the view that airlift with its great responsiveness and speed has made sealift obsolete. This is a tragic misperception of strategic mobility. Sealift and airlift are not competitors in this arena. They, and all of the other strategic mobility components, are complementary and are part of a necessarily integrated system. Let me illustrate by reviewing two basic scenarios: a general war in Europe and a typical nonmobilization contingency.

The war in NATO would represent our most severe mobility challenge and so is of special interest. Our potential enemy in Europe is very strong, and getting stronger. He is fully capable of interdicting the line of communication over virtually its full length. His submarines and warships can wreak havoc with our merchant shipping. His aircraft can strike at our sea and airports, roads, rail lines, ships and transport aircraft. We have only to look back to World War II to envision what enormous difficulties

we would face and how tenuous our mobility bridge would be.

Although we and our Allies have significant forces already positioned within NATO nations, the majority of U.S. men and equipment remains in the continental United States. These forces and their resupply represent many thousands of tons of cargo.

Most of it must be moved by air, rail and road to aerial and sea ports of embarkation. Timing, speed and flexibility are the criteria here. We must match what has to be lifted to the right kind of vehicle. We have to maintain unit integrity so that our port loadouts do not result in a meaningless jumble of men and machines.

Above all, we must initiate and sustain a smooth, uninterrupted traffic flow which feeds through our domestic ports into ships and aircraft without serious backlogs, or idle lift assets. The air and sealift mix for the intra-theatre movement must be carefully optimized to ensure the best possible delivery profile to support NATO requirements. This means that we must plan in exacting detail so that each aircraft and each ship is carrying that cargo for which it is best suited.

In general, people and highly time-sensitive material will be moved by air. But, at best, this represents only about 4 or 5 per cent of the total tonnage. The remainder must go by sea. Both modes are essential and they are complementary. Air gives us badly needed speed of response and short transits. But it is tonnage limited.

So it is up to sealift to move the mountains of equipment for the initial reinforcement of Europe and for the follow-up resupply. The diversity of the cargo, its volume, and the unique characteristics of a substantial segment of the lift combine to make this an incredible challenge for all of us in the world of sealift.

Now let's get down to some specifics concerning our ability to meet the challenge at sea. Looking at our marine cargo resources does not give me the warmest of feelings. The Military Sealift Command owns six specialized dry cargo ships, three of which are not very well suited to the strategic role. They obviously are not a significant resource factor in wartime.

The remainder of the MSC controlled, general cargo fleet of 21 ships consists of commercial charters, and would of course be fully involved.

Next and most importantly we have the merchant fleet of approximately 270 militarily useful dry cargo ships. This is our most significant U.S. capability, both in terms of ship technology and capacity. Added to this is the National Defense Reserve Fleet numbering some 140 largely aged cargo ships. Next is the flag of convenience fleet with about 11 militarily useful dry cargo ships, but carrying the inevitable question mark of availability. Cumulatively, these assets are not anywhere near enough to do the job. Thus we must also depend in this scenario on significant numbers of NATO ships to meet our delivery requirement deadlines. Not a very comfortable posture, especially if we are faced by a short warning situation which woud virtually eliminate any attrition free mobilization lift.

Let us be very realistic about shipping losses in the first few days of such an all-out war at sea. Losses will be heavy in spite of our our very capable anti-submarine and anti-air forces. Our already rather slim sealift will be stretched even thinner. If the war is of short duration we will not have the time to build back up, World War II style. With a come-as-you-are war a possibility, the need for an in-hand sealift capability of the highest order becomes even more vital.

The initial phase of reinforcement/resupply poses some special problems. Not only will we be faced with potentially higher attrition rates, but our requirements for shipping will be more challenging than in the steady-state resupply of the later time frame. Not only must we get ships on berth very very quickly, but we must control the mix of ships.

The nature of the reinforcement equipment, with its heavy concentration of wheeled and tracked vehicles and aircraft, makes the inclusion of specialized ships such as ro/ro mandatory.

Another early-on challenge is the availability of adequate specialized offloading facilities at the European ports. The industry trend away from self-sustaining ships, while economically attractive in peacetime, is unattractive in war. It reduces the flexibility of port assignment and leaves us highly vulnerable if specialized port capabilities are lost to enemy action.

I could go on for several hours on this subject, but I think you can see that our sealift problems are numerous and difficult. This does not mean that we cannot do the job, or that we are facing disaster. It does mean though that we must recognize our substantial deficiencies and work very hard as a community to solve them. Neither does it mean that as a group we have failed to do anything about the problems in the past, for we most certainly have. We must, however, do more.

What about mobility in a non-mobilization contingency? The challenge can be just as great but its complexion is different. Here we are usually not concerned with the enormous tonnages of a major war, nor are we necessarily addressing a shooting situation. What we almost always face in this area is the requirement for speed of response and the need for great flexibility in tailoring the response to the task. Airlift with its quick reaction time is very attractive in many of these situations, and plays a significant role.

But its partner, sealift, is also very attractive since it too can react with surprising speed, can carry much larger volumes of cargo, and avoids the political vulnerability of aircraft overflight and landing rights.

We have only to look back at the magnificent job our merchant marine did on extremely short notice during the evacuation of refugees from Vietnam to realize how essential a responsive sealift is to our national interest. Every year sealift is involved in some measure in the support of our country in unexpected emergencies. It has never failed us, but we cannot take it for granted.

Long-term or especially demanding contingency scenarios can and do pose a special set of demands. As in the case of the mobilization scenario, we must depend heavily on our merchant marine to augment our extremely limited Navy controlled fleet of less than 30 commercially-owned ships. The Sealift Readiness Program with 124 ships is absolutely vital in any large scale contingency. At the same time our planning must recognize the potentially disruptive effects that callup of ships under this program might have on industry.

As you reflect on my comments so far you may conclude that most of what I have said to this point sounds pretty negative. Perhaps it is, but I don't want to create an impression of inevitable doom. Rather, I would want to leave behind a clear sense of challenge, pride in past accomplishments and a recognition that we must solve our problems as a community.

We in the Defense Department must clearly acknowledge that the maritime industry is controlled by economic realities. We cannot expect ship owners to build ships to meet defense needs if these needs result in a less than economically viable cargo carrier. This does not mean that we are at an impasse on additional defense oriented improvements, but it does demand that we are both imaginative and realistic about them. Thus we must work very hard with the industry to create a more effective utilization of the maritime asset within these constraints.

The area of improved communications equipment is typical of the type of initiative we can undertake without degrading the economic health of the maritime industry. There are, I am convinced, a number of other initiatives we can take if we put our collective minds into the problem-solving mode.

As has been pointed out on a number of other occasions, we in Defense must also communicate our specific lift requirements more accurately to top management in the industry. In this regard, we are working very hard to overcome the hurdles of classified information so that our statements of requirements can be meaningful. After all, if industry and defense are to be true partners, each must be able to lay his cards on the table. The success of our recent tests in over-the-shore loading/offloading of merchant shipping, and in the use of merchant tankers for at-sea consolidation of fleet support ships is clear evidence of a community ability to solve difficult interface problems.

The nurturing of the defense/maritime industry partnership is a matter of sheer necessity, and we must get on with it. But we cannot let the details of this process obscure the central issue which faces us—now and in the years ahead. Our best community efforts to build a better sealift team and thus assure strategic mobility will be little more than window dressing if we do not have as our foundation a strong and viable merchant marine.

As I said at the outset of my remarks, our collective voice must be heard. We cannot afford to whisper, to quarrel among ourselves or to defer to the future. We must act, and act now. In the battle for an effective and responsive sealift force, you and your Propeller Club associates must continue to be in the forefront. I know that you will.

WOMEN'S CONFERENCE FAR OUTSIDE U.S. MAINSTREAM

Mr. McCLURE. Mr. President, the events surrounding the National Women's Conference held this November in Houston, Tex., have added to the controversy surrounding the activities of the National Commission on the Observance of International Women's Year. The national plan of action adopted by the delegates to the conference which includes recommendations for Federal funding of abortion and to vindicate homosexual activity will soon be presented to Congress. Most of us will agree that the controversial proposals adopted by the conference are not representative of the majority of American women. Others have maintained that the delegate selection process and organization of the State meetings promoted by the National Commission on IWY were designed to purposefully exclude many women from participating in these meetings by reason of their political or religious beliefs.

I was extremely shocked to learn further that the National Commission on International Women's Year apparently had printed and mailed, under the franking privileges of the U.S. Department of State, material which was extremely critical of the Church of Jesus Christ of Latter-day Saints. The eight-page publication equated the Mormon Church with the Ku Klux Klan and other extremist

groups. But beyond that, it accused the women members of that religious organization of subverting the efforts of IWY.

I believe the record should be made clear in that regard, that in my State of Idaho, women of many political and philosophical persuasions attempted to be represented at the State and national IWY conventions. As a matter of fact, certain segments of women felt they were excluded from participation through a variety of methods. The IWY convention, both in State and national levels was not representative of a democratic process, but serves as a learning tool of how the democratic, representative form of government can be subverted and destroyed by those few who do not believe a wide variety of opinions should be represented.

That is perhaps why I, and many responsible residents of my State, are gravely concerned that taxpayer funds were used to prepare and mail literature which chastizes the LDS Church. This is fraud of the very worst kind, and those responsible should be held accountable for their actions. I have joined others in demanding a full explanation of this totally inappropriate use of taxpayer money.

Another point needs to be made. There were many well-meaning women who went to this conference with worthy goals and desirable objectives to pursue. How regrettable that their efforts were so badly undermined by the kind of people mentioned in the article I am about to insert who turned the conference into a Roman circus.

Mr. President, the following report by John Lofton in Human Events outlines the Houston convention as he saw it. More than that, he takes the time to pay tribute to Senator JESSE HELMS for the work he has done in exposing some of the excesses of the International Women's Year. It is a tribute well-deserved. He has done the work for the rest of us who never found the time. He deserves a sincere thanks from all of us who had hoped the IWY would help promote the genuine interests of women. We can only be embarrassed for those prominent American ladies who by innocence or stupidity allowed themselves to be used so shamelessly by the extremists running the show in Houston.

Mr. President, I ask unanimous consent that the article referred to be printed in the RECORD.

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

WOMEN'S CONFERENCE (FAR) OUTSIDE U.S. MAINSTREAM

(By John D. Lofton, Jr.)

HOUSTON.—Since the IWY sprang full-blown from the brow of Bella Abzug over two years ago, Sen. Jesse Helms (R.-N.C.) has been a man ahead of his time vigorously opposing the idea of a federally funded International Women's Year conference. After investigating just exactly how the delegates to this get-together were selected, and just who the people were running this show, Sen. Helms told the Senate this past July:

"Of the 42 members of the International Women's Year 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 such groups 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 who speak for a large number of women across this country."

Because this was so, Sen. Helms predicted that the meeting being held here would be "a rubber-stamp, unrepresentative debacle" which would be used "to promote the goals of a militant feminist minority."

Well, as one who has closely watched this freak-show for the past three and a half days, I hereby give Sen. Helms the 1977 First Annual Jeane Dixon Gift of Prophecy Award.

During the time I've been here I have, not surprisingly, been in many arguments with many women about many subjects. But the one assertion I am absolutely unable to challenge is spelled out on a large sign stapled to the wall of the National Gay Task Force (NGTF) booth in the IWY exhibit hall. It reads: "We Are Everywhere!" Indeed, they are.

This conference is loaded with lesbians. It is wall-to-wall weirdos. If it is true, as the conference sponsors allege, that this Valley of the Dykes is representative of the female population at large, then 150% of American women are homosexuals.

Like they say, they are everywhere. How many? When I ask, a woman(?) in the NGTF booth says, with a laugh, "thousands." Perhaps as many as 500 lesbians are delegates, she(?) says.

Another booth in the IWY exhibit hall, operated by a group pushing the idea that homemakers should be salaried, bears a huge banner reading: "Lesbians for Wages for Housework." I buy a booklet titled "Lesbians Organize: Wages Due Lesbians—Wages for Housework Campaign." Its cover has a Peanuts-style drawing on the cover showing Lucy and another female holding hands. The caption: "Who Needs Charlie Brown?" Another book being offered: "The Power of Women and the Subversion of the Community."

When I ask a Ms. Marshall of Black Women for Wages for Housework just how much she thinks housewives should be paid, she says $20,000 a year. When I note that 40 million women are housewives, which means that her proposal would cost a mere $800 billion annually, and ask who will pay these salaries, she is obviously bored with such details, replying:

"When you bog yourself down with petty points of an issue, you don't move, okay? The thing is when there's an issue and you have clout behind it, they find a way to do it, okay?" Right on, I say, but who are "they"? Who will pay these salaries? Well, there are "profits from corporations and money within the government," she says. Like where, I say, pointing out that the federal government is running a $50-billion deficit. Does she know this, I ask?

"Okay, that's fine," she says. "But, you look at Watergate, at the senators running the country, those corporations with profits. The money's going somewhere. I don't know where. They're saying there's a deficit but I do know there's red tape, redundance, and people taking it off the top."

When, in a parting observation, I explain that if business is saddled with an additional expense of $800 billion annually, they'll most likely pass along this increased cost of doing business to those who buy their products, people like lesbian houseworkers, she says: "This is okay, they'd probably do it anyway." Hmmm. Never thought of that.

On my way over to the San Francisco Bisexual Center (SFBC) booth, I am handed a copy of the current issue of "Defending Women's Rights Newsletter." The back-page article is headlined: "Defend Lesbian Rights." Its author: Cheryl Adams, a New Yorker delegate to the IWY convention, who is also the Lesbian Rights Coordinator for the Empire State's National Organization for Women (NOW).

When I reach the SFBC booth, I am handed a flyer by bisexual author Ruth Falk, promoting her book, *Women Loving*. The flyer bears an interesting promo blurb: ". . . an honest, sinewy book; its pace is electric; its shock enduring." To ignore this book, says the promo author, "would be to block out an important part of women's lives as well as our own." The promoter? Les Whitten, co-author of Jack Anderson's syndicated column.

They are everywhere. But not everything they do can be shown in a family newspaper.

The night after the IWY convention approves a lesbian rights resolution, hundreds of lesbians and their sympathizers rally outside the convention hall. A downcast Houston *Chronicle* photographer shows me "a great" photo he took of two women kissing. But, he says, his paper didn't run it. Oh, well, I console him, what can you expect from a publication run by white, uptight, probably straight men.

They are everywhere. When at one of the so-called "Briefings from the Top," presidential aide Midge Costanza finishes her talk and asks for questions, the first one—a statement actually—is from a woman (?) who identifies herself as a member of the Socialist Workers party and a lesbian who "refuses to compromise my rights." Costanza empathizes. She notes that in a Father's Day interview with the AP, President Carter, saying "more than any President ever said before," had declared that he knew people who were taught by homosexuals and "they were never negatively affected by that." Says Midge:

"I get very emotional about this issue because I feel very strongly that you should have the right to love whomever you want. I do." Applause.

Watching Costanza's fist-waving, head-shaking, loose-mouthed macho performance, one realizes why she stays in hot water. At one point, she brags that her first act as a member of the Rochester, N.Y., City Council was to appropriate some money to clean up Susan B. Anthony's grave-site. She says that in her first life as Susan things were much more difficult. Laughter. "Yep, Jimmy and I believe in that stuff," she says. "His [the President's] error was that he made the mistake of coming back as himself." More laughter, applause.

Later, she is asked if Mr. Carter will campaign actively for ERA. Yes, he will, says Midge, and she doesn't mean just make phone calls, which she admits has not been successful. She tells how the phone call strategy backfired because those state lawmakers who were called promptly held news conferences announcing that the President could not intimidate them. Costanza refers to these legislators as "nincompoops." Laughter.

They are everywhere. But not everyone is eager to take up their cause. IWY Big Wig, actress Jean Stapleton, who plays Archie Bunker's wife Edith on "All in the Family," is asked how "Edith" would handle the lesbian rights issue. She ducks this one, telling a Houston Chronicle reporter: "I believe that we'd have a number of story conferences to resolve that issue." Too bad the convention didn't approach the subject this thoughtfully.

A footnote: In fairness to the other far-out crazies working this confab, it ought to be noted that lesbians and their supporters weren't the only weirdos working this gathering. Also in the IWY exhibit hall was the extreme left-wing Pathfinder Press booth

which was selling a wide variety of Communist and Socialist literature including the Guardian newspaper. Outside the convention hall, free sample copies of the Communist Daily World were being given away.

Also being handed out free of charge were copies of a newspaper published by the ultra-left Prairie Fire Organizing Group of San Francisco. Last but not least, prowling the halls and holding press conferences here was Margo St. James, the head of what she calls "a loose organization," COYOTE—Call Off Your Old Tired Ethics. Pushing her favorite cause, the legalization of prostitution, St. James was passing out the program from her group's 4th Annual Hookers Masquerade Ball, held last February in—where else?—San Francisco.

It's 9:15 a.m., Sunday morning. I am about to listen to a panel of women discuss "peace and disarmament." The literature on the table is a sign of what is to come. All the material is pro-unilateral disarmament stuff. There's a press release from the Women's International League for Peace and Freedom; a "Bread—Not Bombers!" handout from the Women Strike for Peace; and a pamphlet from the Institute for World Order telling how reduced defense spending is good for the economy.

The meeting comes to order. "The reason we scheduled this thing," says Rep. Pat Schroeder (D.-Colo.), "is because women are no longer going to be observers in the area of peace, disarmament and all that. We're no longer going to be a passive rubber stamp. Arms control is not just men's work." She says something about trying to grope with the issue of the way certain countries, headed by men, need certain "technological things" to parade through the streets but don't have good health care, education, etc. Nuclear weapons are sexist.

Randall Forsberg, an "arms control specialist" from Harvard, endorses a "safe" defense policy and a "wide margin" of arms reduction (ours). She says "almost none of our defense budget goes for defense." I don't understand her explanation. But, she's from Harvard. It must be me. I never went to college.

Forsberg talks about the U.S. and the U.S.S.R. having almost the same number of delivery vehicles. But she doesn't mention the tremendous Soviet advantage in so-called throw-weight, which is very important. She talks about our bombers as if all of them would be able to deliver their bombs in an attack on Russia. But she never mentions Soviet air defenses, which we lack. She talks about our general purpose forces as existing to defend Western Europe. She sounds like this isn't important. Forsberg is opposed to a "militarized foreign policy." Suddenly, I'm glad I never went to college.

The next speaker is a Dr. Helen Caldicott, introduced as a specialist in cystic fibrosis who also was very active in opposing the French nuclear tests near Australia. Or the Australian nuclear tests near France. Whatever. Sounds like the plot for a Woody Allen movie. I'll stay a while longer.

Dr. Caldicott is on the program to talk about the horrible physical effects of atomic radiation, a subject about which I was unaware there was any debate among either men or women.

Nuclear weapons are "hideous," a "diabolical force" which she has fretted about since she was 17. They are the "ultimate insanity" causing "a lot of vomiting and diarrhea," as they did in Japan. Surveys have shown Japanese women whose babies, damaged in utero, were born with tiny brains caused by radiation. The audience is silent. This pro-abortion crowd isn't too big on the problems of the unborn.

There is "no way" to survive an atomic war, says the doctor. Only cockroaches would survive. Such a war would cause "severe psychiatric consequences" for the survivors of a nuclear war, "if there were survivors." The neutron bomb is also a "diabolical" weapon, a terrible way to "kill your fellow brothers." Nixon had the Black Box taken away from him because he was "unstable" the last few weeks of his presidency. The doctor asks:

"Have any of the world's male politicians ever seen a 12-year-old die of leukemia? Obviously not. We must eliminate all nuclear weapons. Women are the civilizers of the human race. We carry life in our bellies. The ultimate in preventive medicine is to abolish all atomic weapons." Standing ovation.

On the way out, I see anthropologist Margaret Mead in the audience sitting in an aisle seat. I ask her if the whole IWY thing is worth $5 million? She looks at me with disdain. "Certainly," she says. "How much of a bomber can you buy for $5 million? I suggest you study how much is spent on instruments of death."

As an expert on culture, I say, do you think the IWY convention is representative of the American female population at large? She taps her walking stick on the floor a couple of times. She's thinking. She replies: "Nothing in this country ever reflects anything at large." I wonder: Does a wet bird fly at night?

It is late Sunday evening, very late. As I lie on the floor of the convention hall's Music Center watching a seven-foot clown woman on stilts playing "As the Saints Go Marching In" on a kazoo, I think of that memorable moment in the main convention hall when a delegate from Guam, speaking Guam talk, is told by the Chairthing that she was not being understood because she was, well, speaking Guam talk and there was no one to interpret.

I know of nothing I've ever agreed with Betty Friedan on. But when she says of this convention: "I have never seen anything like this," I agree. And I hope I never do again. But, if I do, I at least hope I'm not helping pay for it.

So, enough of the feel, the flavor of this phantasmagoria of nuttiness. Now to the hard facts and demographic data as regards this orgy of sexism.

Is this conference affording, as Bella Abzug predicted it would two years ago, "an opportunity for every kind of woman, representing every viewpoint, in every state of this nation to make a statement of her concern"? Does this carnival of kookiness represent the kind of women who are potential recruits for the Republican party, as has been stated by former GOP National Chairman Mary Louise Smith, and former RNC Co-Chairman Elly Peterson?

Mrs. Smith is quoted by the Washington Post as saying here that GOP women "have the responsibility to show that Phyllis Schlafly is not a role model for Republican women." Well, maybe Phyllis should or should not be. That's obviously debatable. But one thing is for sure and it is this: Phyllis Schlafly is much more in the mainstream of female American thought than are the women delegates to this get-together.

If Mrs. Smith had bothered to stop by the Houston Astrodome to attend the so-called Pro-Family, Anti-IWY rally, which attracted between 15,000 and 20,000 grassroots Americans of all sexes and ages, she would have seen this. This gathering was, in many ways, the real story happening in this city. All of the people in this group paid their own way, unlike the IWY delegates who had their expenses completely financed by federal tax dollars.

How do the women IWY delegates compare and contrast with American women in the U.S. population? The following is extracted from data released by the IWY Commission itself and from information based on statistics provided the Commission by the Department of Labor, the Census Bureau, the National Opinion Research Center in Chicago, and a 1975 poll of American women taken by the Detroit-based organization, Market Opinion Research (MOR).

First, some attitudinal questions. Do you agree that "it is much better for everyone involved if the man is the achiever outside the home and the woman takes care of the home and family?" This question, which is literally the do-you-believe-a-woman's-place-is-in-the-home-question, was put to a representative sample of American women by Market Opinion Research. Over half, 52%, of all women agreed. Most of the females at this conference would punch your face if you even asked them this question.

Next: Do you agree "it is more important for a wife to help her husband than to have a career of her own?" Fifty-five per cent of all American women told MOR that they agreed. Most women here would look at you like you were crazy if you asked them this question.

Finally: Do you agree "if a wife earns more than her husband, the marriage is headed for trouble?" Fifty-two per cent of all American black women agreed; 58 per cent of all Spanish-American women agreed. One would be taking one's life in one's hands to ask such a question of the black and Hispanic women at this conference.

According to the MOR poll, the magazines most read by all American women are, in ranking order, the *Reader's Digest, Ladies' Home Journal* and *Good Housekeeping*. It is inconceivable that most of the women here read these publications with any degree of frequency. This is a *Rolling Stone* crowd all the way.

Now, the demographics of this convention. First, I will give the category, then the percentage of all women in this category, and then the percentage of the women delegates in this category here at the IWY conference. What the following figures show is that this convention was in dire need of one of those affirmative action-quota plans that it so enthusiastically endorsed.

Age: 16–25, in the population, this group is 22 per cent; in this convention, 7.5 per cent. Ages 26–55, population, 49 per cent; convention delegates, 77.8 per cent. Ages 56 and over, population, 29 per cent; convention 14.8 per cent. Thus, younger IWY delegates, who tend to be more liberal, are significantly over-represented, while the older delegates, who would tend to be more conservative, are under-represented.

Race: in the population, 84.4 per cent are white; this convention, 64.5 per cent. Blacks, population, 10.4 per cent; convention, 17.4 per cent. Hispanic, population, 4.3 per cent; convention, 8.3 per cent. Asian-Americans, population, .6 per cent; convention, 2.7 per cent. American Indians, population, .6 per cent; convention, 3.4 per cent. Clearly, despite the claims of representatives of the U.S. female population at large, here racial minorities are over-represented and the majority is under-represented.

Income: Under $7,000 a year, population, 78 per cent; convention, 23.1 per cent. Women who make $15,000 or more annually comprise less than 3 per cent of the population. But at this convention, 14.1 per cent of the delegates make over $20,000 a year. This is, relatively speaking, a rich woman's conference with poorer women drastically under-represented.

Religion: Protestant population, 65.8 per cent; convention, 46.5 per cent. Catholics, population, 25.6 per cent; convention, 24.2 percent (finally, an approximation); Jewish, population, 2.8 per cent; convention, 8.9 per cent.

At the beginning of its poll report for the IWY Commission, "American Women Today and Tomorrow," Market Opinion Research inserts a disclaimer reading: "The views expressed in this report reflect public opinion and do not necessarily represent the views of the National Commission on the Observance of International Women's Year or any other federal agency."

I'll say. Any agreement between the opinions of American women at large in this country and the opinions of those gathered here is strictly coincidental.

PORTLAND VA HOSPITAL

Mr. HATFIELD. Mr. President, on November 3 the House-Senate conference committee met to act on the first supplemental appropriations bill for fiscal year 1977. One of the components of the bill of particular interest to me and to people in Oregon and Washington was an item designated to provide replacement facilities for the present Veterans' Administration hospitals in Portland, Oreg., and Vancouver, Wash. The first approval of plans for these facilities was in 1962 and since then there have been numerous refinements and adjustments in these plans. The present proposal calls for a 648-bed acute care facility near the present location of the Sam Jackson Hospital in Portland, plus an outpatient facility in downtown Portland and space and administrative functions at the location of the present Barnes Hospital in Vancouver. It should be noted that the VA recommendation constitutes a somewhat smaller facility than the present hospital, with its 816 acute care beds.

In response to a plea that the Veterans' Administration had not adequately considered an alternate site near the present Emanuel Hospital in Portland, the House Appropriations Committee sent investigators to Portland to examine the two locations and consider the positive and negative features of each. Since that report was available on November 3 when the conferees met, but the VA had not yet had time to respond, the committee decided to defer action until the next supplemental appropriations bill.

Mr. President, the Veterans' Administration has now responded to the House report and to assure that these points are readily available to my colleagues and others who are interested, I ask unanimous consent that the report be printed in the RECORD at the conclusion of my remarks.

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

(See exhibit 1.)

Mr. HATFIELD. Mr. President, while I do not pretend to be an architect or engineer and I realize that there still may be honest differences of opinion on some of the issues, I feel that the VA has responded very satisfactorily to the House objections. The VA disagrees with the House estimate of construction cost at the Emmanuel site, but readily admits that there will be approximately 5 percent in additional cost to build at Marquam Hill. This is not wasted money, but a reasonable payment for assuring a close and healthy relationship with the Health Sciences Center of the University of Oregon. As is typically the case with VA hospitals, medical school personnel provide a great part of the professional care. The VA report provides convincing evidence of a correlation between the quality of care in a VA hospital and the distance between the hospital and the medical school.

The VA report provides satisfactory solutions to the very real traffic and parking problems posed by the Marquam Hill site and I personally intend to see that VA mental bill, as soon as possible in 1978.

EXHIBIT 1

COMMENTS OF THE VETERANS' ADMINISTRATION

The comments of the Veterans Administration on the report of the Surveys and Investigations Staff of the Committee on Appropriations, United States House of Representatives concerning plans for the replacement of VA facilities in Portland, Oregon and Vancouver, Washington are contained herein.

I. INTRODUCTION

The VA presently operates three facilities in the Portland/Vancouver area including a 527-bed hospital on Marquam Hill in Portland, a 376-bed hospital in Vancouver and a satellite outpatient clinic in downtown Portland.

The VA has proposed that a single new hospital be constructed on the site of the present Portland Hospital as a replacement for both of the existing hospital facilities and that certain outpatient and logistical support facilities for the hospital be located in Vancouver. The present downtown clinic would remain in operation although it would be relocated closer to the hospital site and afford the opportunity to be used as a fringe parking area for hospital employees.

In May 1977 the Committee on Appropriations of the House of Representtaives directed the Surveys and Investigations Staff of the Committee to conduct a study of plans proposed by the Veterans Administration to construct facilities in Portland, Oregon and Vancouver, Washington to replace the existing antiquated facilities.

The Survey Report concludes that the replacement VA facilities should be constructed on the site of the Emanuel Hospital. This recommendation is based on the investigators' analysis of the several issues which impact on this decision. Each of these issues will be discussed in these comments.

II. PLANNING FOR THE REPLACEMENT HOSPITAL

The report criticizes VA planning for the proposed hospitals as being ineffective. "Because of a lack of effective long-range planning, the Portland Hospital project has been placed in the VA's construction program before being fully developed." The primary basis for this criticism is the absence of specific spatial needs for individual hospital services, and the use of historical data on space requirements and costs for estimating purposes. The report cites a previous study of the investigative staff which found weaknesses in the VA's construction program. At this point in time, the planning process of the VA was to develop cost and space data on an historical basis although it should be noted that for the first time a special planning technique was used for the eight hospitals including the Portland replacement hospital. This study, conducted by the Griffin-Balzhiser firm, was a unique and additional planning mechanism used for Portland and not for hospital construction prior to 1975.

A. The development of the space requirements for a construction project such as this replacement hospital is dependent upon the availability of several items of information including the location of the various functions, bed levels, inpatient and outpatient workload information, and data on the numbers of staff who will be working in the facility. When this information is available, project development can move forward. In the event however that policy or programmatic decisions are made which change this base-line information, the detailed development of the project must begin again. This has been the case as relates to the Portland Replacement Hospital project.

The original proposal of the VA approved by the President in May 1976 was to consolidate all functions at the site of the new hospital. The facility was proposed to include 770-bed hospital and a 120-bed nursing home care facility. In June 1976 the Congress directed the VA to reassess the matter of this replacement hospital in light of the various concerns which had been raised. As part of this reassessment, the VA concluded that it would be appropriate to retain in operation the downtown Portland outpatient clinic without diminishing the quality of care provided. This division of functions and reduction of requirements at the hospital itself necessitated that much of the developmental work previously accomplished be re-done. This decision was made in January 1977.

Shortly after the appointment of the present Administrator of Veterans Affairs, the VA received numerous requests from interested parties including members of the Congress, that the new Administrator examine thoroughly the many aspects of this issue. The Administrator undertook such a review including a personal visit to the area and concluded that the location of certain activities in Vancouver would be beneficial. This decision which was made in April 1977 required another beginning of the detailed project development.

The most recent major change in plans for the replacement hospital came in August 1977 when at the direction of the Congress the VA reduced the number of hospital beds planned from the original 770 beds to the present level of 738 beds.

Each time these basic decisions were made, developmental efforts had to be recycled and thus specific information on space requirements had to be continually redetermined.

B. The VA has developed an advance planning capability in part as a result of the concerns expressed by the Congress regarding the VA construction process. The Fiscal Year 1978 VA appropriation includes funding to develop major construction projects through the completion of preliminary plans. This planning tool will provide for a greater opportunity to review alternatve concepts and develop refined cost estimates in advance of the request for design and construction funds. This Advance Planning Fund mechanism was not available for use on the Portland project. However, whatever planning capability is being utilized, detailed redesign will always be required each time the basic plan is changed.

C. The report concludes that there exists a lack of coordination between the VA's Department of Medicine and Surgery and the Office of Construction. The report presents no evidence to support this conclusion. In December 1962, President Kennedy approved the closure of the Vancouver Hospital and the expansion of the Portland facility. Prior to that decision and at each stage in the long history of this project, the Department of Medicine and Surgery and the Office of Construction have worked together. The report cites only a discrepancy in information provided by the various offices as to when relevant developmental data was provided to the Office of Construction. As indicated above, it was necesary to revise his information several times.

III. BED SIZING METHODOLOGY

In regard to the recommendation that the VA revise its hospital sizing methodology to develop bed requirements on the average length of stay data in community hospitals, the report contends that this bed estimating technique would result in less beds and therefore a reduced cost. The report points out that for specific diagnoses, the average length of stay at the Portland Hospital exceeds that for similar diagnoses treated in community hospitals in a six county area. For example, the report specifies that cancer patients in community hospitals experienced an average length of stay between 13–15.4 days while VA patients consumed 28 days. In addition, for such diagnoses as cerebrovascular disease or pneumonia, community hospital patients averaged between 12-14 days per case while VA cases recorded average length of stays of 63 and 21 days respectively. The report fails to mention the pertinent fact that the VA 1985 bed estimate for internal medicine was based on a 14 day average stay. The diagnoses identified in the report would be hospitalized in internal medicine bed sections. The differences in the VA and community patient populations also introduce major differences in length-of-stay data. These differences include socio-economic status, marital status, incidence of secondary diseases, and the distance between the hospital and the patient's home.

The report references the GAO report of May 1977 to the Chairman of the Subcommittee HUD-Independent Agencies, Senate Committee on Appropriations citing that GAO "in its review specifically analyzed the proposed bed size for three new VA hospitals that have been authorized for construction—Bay Pines, Little Rock, and Richmond. GAO disagreed with the VA's methodology in determining the size of the proposed hospitals—GAO suggested a methodology that would project acute bed needs . . ."

The report suggests that application of the GAO methodology to these three hospitals produced bed estimates significantly different than those resulting from the VA estimating procedure. However, the actual difference in the two estimates were in fact very minor. For the three hospitals combined, GAO's model estimated a need for ten more "acute non-psychiatric" beds than did the VA model in projections involving 1275 beds in the three hospitals.

In its responses to the Chairman relative to the GAO report, VA pointed out some of the inadequacies of the GAO model; the most significant being that it produced one estimated bed value termed "acute care beds." Included in this bed classification, but not uniquely identified were the bed needs for internal medicine, surgery, neurology, etc. Other major shortcomings of the model were its inability to generate estimates for psychiatry or intermediate care.

At the urging of the Senate Appropriations Subcommittee, VA and GAO agreed to meet in an effort to develop mutually agreeable estimating techniques. At the initial meeting in September, the GAO officials verbally presented a new bed estimating model which was different than that used in their May 20, 1977 report to the Chairman. The written description of the new model was recently made available to VA and is now being reviewed.

IV. CONSTRUCTION COSTS

The primary basis for the recommendation of the report that the replacement hospital be located on the Emanuel site is the view of the investigative staff that the VA would save $27,410,300 by selecting that location as opposed to Marquam Hill. The VA has previously estimated that the utilization of the Emanuel site in conjunction with the downtown clinic and the clinic/logistical support at Vancouver would have a construction cost of $143,239,700. The VA estimate has been prepared by a staff of experienced professional estimators. The Survey report, although highly critical of the VA's estimating techniques, utilizes the same approach in developing a new estimate for the Emanuel site. The report accepts the VA estimate for constructing on the more complicated Marquam Hill site. This new estimate of the investigative staff for Emanuel, which accepts many of the basic estimates provided by VA, is $124,688,700.

The VA has conducted a review of each of the line items which comprise this new estimate and we have also closely examined our own estimate. We find that the report makes some very basic estimating errors in arriving at the $27.4 million dollar savings. We will address each instance where a difference in the estimates exists; but first it should be noted that VA has always acknowledged that the construction cost at Emanuel would be less than Marquam Hill. This additional cost was in the past and remains now part of the mix of factors to be considered in the site selection decision.

The first difference occurs in the area of site acquisition and preparation. The VA originally estimated this cost to be $3.4 million. The report estimates the cost to be $3.76 million. We have revised the VA estimate to agree with the report with one exception. In the judgment of the investigative staff based on conversations with the Griffin-Balzhiser consulting group, a neighborhood park at the Emanuel site will not be required. It is the judgment of the VA that the park will be required if the Emanuel site is selected. Thus, VA includes a cost of $50,000 to cover the expense of relocating this park. A chart is appended to this report which compares item by item the original VA estimate, the new estimate of the report, the VA's revised estimate and the cost differences. The reader will note that the current distribution of site acquisition costs is somewhat different from that of the earlier estimate because approximately one million dollars is now shown as reimbursement costs instead of site acquisition costs. This change was made so that the VA estimate could clearly be compared to the estimate in the report.

The investigative staff's estimate has deleted altogether any phasing cost at Emanuel. The VA has previously included a one million dollar allowance to cover potential delays at the Emanuel site. We believe this is justified in view of the fact that the start of detailed design and construction on the Emanuel site would be contingent upon action by parties other than the VA in connection with site acquisition negotiations, relocation of existing Emanuel functions on the site, and evacuation of these buildings. There is an apparent potential delay in each of these steps which could delay design and construction activities or change their sequence. The one million dollar allowance is included to cover that potential.

A major difference between the VA's estimate and that of the investigative staff is in the cost of providing adequate parking at the Emanuel site. This difference represents $5.6 million. The VA believes that the estimate of the investigative staff is not valid. The savings are found in large measure in the assumption by the investigative staff that the unit cost per car on the lowest level of the parking structure would be the same as for exterior surface parking. In a parking structure, the cost of the lowest level must be counted the same as the upper levels in determining the unit cost of construction. Moreover, all of our studies of the cost of structural parking facilities indicate a base construction cost of approximately $5,500 per car as a reasonable figure. The average cost per structured parking space according to the investigative staff's estimate is $1,816 per car. The VA believes such a figure is grossly unrealistic. It should also be recognized that, if the survey staff's parking cost estimate is to be accepted at Emanuel, it must also be applied to the parking cost at the Marquam Hill site reducing that cost approximately $2.9 million.

The VA estimate for Marquam Hill and Emanuel included a 6 percent allowance to cover unknown factors. The Investigations Staff has arbitrarily reduced this to 3 percent at the Emanuel location. The report explains the reduction in this way: "Due to the uncertainty of costs in building on a steep site, the percentage for unknown factors is 6 percent on Marquam Hill; whereas the factors is only 3 percent at Emanuel resulting in a $3.2 million cost difference." The VA takes exception to this reduction because the allowance for unknowns is intended to cover many potential additional cost factors than just those attributable to site complexity. These include medical program changes, spatial criteria changes, construction code changes, design changes, etc. The differential cost for building on the steep hill site has already been included under "Abnormal Foundations" and cannot again be included in "Unknown Factors." The unknown factors by definition cannot be apportioned among the various elements and thus the reduction to 3 percent at Emanuel has no basis.

The remaining difference between the estimates (and the biggest single difference) is a reduction by the Investigations Staff of $5.7 million in the category which they identify as "Additional Cost Savings." The report attributes these savings to the effect of general site conditions on the contractors ability to work effectively. The report breaks down the savings as follows: contractor accessibility, 0.5 percent; material and equipment deliveries, 0.33 percent; construction staging area, 1.0 percent; construction employee travel and parking, 0.33 percent; and reduction of total construction time, 2.5 percent; total, 4.66 percent. This reduction is absolutely without any sound basis.

You cannot save money that does not exist in the first place. The VA estimate for Emanuel does not contain a special allowance for site complexity as does the estimate for Marquam Hill. We recognize the additional cost of construction on Marquam Hill by the inclusion of special allowances for abnormal foundations and phasing. The base construction costs at Emanuel are less because of the absence of these complexities. The report in effect tries to save this money twice.

The survey report suggests by implication in Recommendation 4 that the VA is trying to hide the cost of new support facilities in the estimate for demolition. This is not true. The term, "demolition", in the VA estimate represents the cost of demolishing and clearing the site. Because the water storage tank is vital to the continued functioning of the existing hospital during construction, it is appropriate that its relocation costs be included in the site clearance item. This is also the case for the pumping equipment and piping associated with the site clearance.

We conclude then that the estimate in the Surveys and Investigations report is inaccurate and that the more reasonable estimate of savings at Emanuel is $8.2 million which is 5.4 percent less than the proposal for Marquam Hill.

It is clear that the preparation of the report relied to a great extent on information received from the firm of Martin-Brewster. As indicated in the report, the Martin-Brewster firm had been retained in the past by

the Emanuel Hospital to develop cost estimates for construction at Emanuel. Their estimate presented to the Congress was within $400,000 of the estimate developed by the Investigations Staff for this report. We have appended to this document copies of the Martin-Brewster presentation and the associated VA comments in response.

V. PORTABLE EQUIPMENT

The report recommends that VA "furnish a further detailed estimate of 'portable' equipment costs." The report rejects the estimating of equipment costs based on historical data and suggests that a detailed list of equipment should be required for estimating purposes. The equipment estimate for the Portland Replacement Hospital was based on actual budgeting data gathered from funding records of recently built hospitals. The per bed cost is used because it is the best indicator based on the fact that all VA hospital GM&S activities will contain the same medical services and equipment. During the investigation, VA provided to the investigators a sample listing of equipment and offered to make available the complete list of equipment placed in recently completed hospitals. It is from such detailed itemized data that the VA estimates are made.

The funding for portable equipment is provided as part of the VA's medical care appropriation. This is a one year appropriation and the funding request would not be made until the year in which the money is actually required. It is not considered a part of the construction cost since it is not provided through the construction appropriation. It would be impractical to develop a total itemized list of equipment at this time for several reasons. The technology of sophisticated health care equipment advances rapidly and significant progress in this respect can be anticipated before the Portland Hospital is completed. A detailed equipment list developed now would be totally inadequate 2–3 years hence. Furthermore, as we approach the completion of the hospital, we will evaluate the existing equipment in use in the replaced facilities to determine that which can be retained in use at the new hospital. The functional layout and design of the new hospital and the transportation systems employed will also impact on equipment purchased. These decisions cannot be made at this time. This cost item, "Portable Equipment", would of course be the same regardless of the location of the hospital.

VI. EXCESS COMMUNITY BEDS

The report addresses the question of excess community beds and recommends that the Congress grant authority to the VA to utilize excess community beds for the care of non-service-connected veterans. The report also recommends that the VA consider the availability of excess community beds in determining VA bed need. This is an extremely complex issue which is not peculiar to the Portland replacement hospital and which could only be addressed superficially by the investigative staff. The report does not discuss the nationwide impact of the recommendation nor does it address the resources which would be required to implement such a recommendation. The VA believes that this issue cannot and should not be addressed tangential to the Portland controversy. It is a major policy consideration which strikes at the basic Congressional mandate to the VA.

VII. PROXIMITY TO THE HEALTH SCIENCES CENTER

The paramount concern of VA in the considering the location of the replacement hospital has been and continues to be the quality of care that can be provided to the veteran. This issue has focused on the strength of the medical school affiliation and the relationship of distance to the effectiveness of an affiliation. It is the consistent experience of this agency that an effective medical school affiliation enhances the quality of care that can be provided in a VA hospital, and that a close relationship, in which large numbers of professional staff, residents, and other trainees flow freely between the VA hospital and the school, encourages a more effective affiliation and thus creates an appreciably higher level of quality.

It has never been held that proximity is a sole factor determining the strength that an affiliation and its consequent impact on quality of care. It is a factor, however, that exerts its beneficial or deleterious impact for the life of the facility.

The VA hospital in Portland has, at the present time, a very close association with the Health Sciences Center. As indicated in the report of the Investigations Staff, ninety percent of the 400 residents at the Health Sciences Center rotate through the VA hospital. The remaining 40 residents rotate through other area hospitals. In addition, approximately 600 students in other health manpower occupations are in training at the VA hospital. These include nurses, dental students, physician assistants, radiology technicians and students in a variety of other allied health fields.

A primary reason for the VA selection of the Marquam Hill site for the replacement hospital is the strong belief that distance between the hospital and the school has a direct impact on the strength of the affiliation and the numbers of individuals who will move routinely to and from the VA hospital for purposes of patient care. The VA is concerned about taking action which might curtail rather than enhance the willingness of highly qualified staff to participate fully in the affiliation and which could discourage residents from desiring VA as their training location. The reduction of the affiliation's intensity associated with these attitudinal changes would have a serious impact on the care provided. The movement of patients between the VA hospital and the teaching hospital is also very important. In radiology alone, for example, 286 patients were transported to the Health Sciences Center last year to receive over 8,000 radiation therapy treatments.

The exact effect on the intensity of the affiliation by relocating the hospital to the Emanuel location is difficult if not impossible to quantify. There are some items which are assumed to reflect quality and which are quantifiable. These include the characteristics of physician board certification, average length of patient stay, and the corresponding patient turnover rate. A review of this data for affiliated hospitals nationwide reveals the following information.

Distance of VA hospital to medical center	Number of VA hospitals	Percentage of physicians boarded	Average length of stay (days)	Average monthly turnover rate
0 to 1 mi.	41	65.1	21.2	203.3
1 to 5 mi.	19	60.0	25.8	174.7
Over 5 mi.	78	56.1	33.8	144.4

This data would indicate that the shorter the distance, the greater the chances are of a strong affiliation and a comparatively higher standard of patient care.

The report of the investigative staff has concluded that proximity of the VA hospital to the Health Science Center is not necessary for a high quality of patient care. This view was formed after interviewing staff at the VA hospital in Portland, the Health Sciences Center, and the community hospital facilities. The report points out that only thirty percent of affiliated VA hospitals are within one mile of the affiliated medical school and that many hospitals with greater distance separation have succesful affiliations. These exceptions do not disprove the VA's contention that strength of affiliation and institutional proximity are correlated. Many of these successful affiliations have a lower level of intensity than does the present VA hospital on Marquam Hill.

The report indicates that many of the staff interviewed at VA hospitals located away from their medical school affiliations reported that proximity had no bearing on their ability to provide quality care. It might be unreasonable to expect a physician to endorse the premise that the issue of proximity has a relationship to quality of care in a situation in which that individual is a participant when the location of the VA hospitals is not adjacent to its affiliate. The investigative staff found that the overwhelming majority of professionals at the VA hospital Portland and the Health Sciences Center and the trainees at these institutions favored the Marquam Hill site and placed importance on the proximity question. The report discounts the views of these individuals as being opinionated. These are the individuals who will hopefully be functioning in the affiliated situation and their opinions will have profound effect on their acceptance of the relationship.

The VA firmly believes that the present close location of the VA hospital to the Health Sciences Center has been responsible for the development of the present strength in the affiliation. To increase the distance would diminish this strength. The training of health manpower is a recognized part of the VA mission. This is enhanced by remaining close to the university. The allied health training programs, which the report refers to only in passing, and involves undergraduates for the most part, could be impaired. These individuals, many of whom presently walk back and forth between the hospitals, would be seriously inconvenienced if the hospitals were at separate locations as suggested.

We do not believe the investigative report to be accurate in concluding that proximity is unimportant in the success of an affiliated VA hospitals. The VA has recommended proximity historically when the opportunity arose and will continue to do so.

VIII. SITE GEOLOGY

There has been a great deal of discussion about the seismic and geological characteristics of the Marquam Hill and Emanuel sites. The Marquam Hill site is generally referred to as a "steep site" whereas Emanuel represents a "flat site."

Seismically, the two sites are similar. This is reported in the investigative staffs report and has been presented in the report of the Griffin-Balzhiser firm. The nature of the construction at any site in the area would involve strengthening to protect the structure in a seismic event.

The report identifies the Marquam Hill as a slide hazard area because of the sloping characteristics. The topography of Marquam Hill does lend itself to the possibility of earth slides. This potential on the site however will be contained through the construction process.

The report states that earth slides would block access to the hospital and render the hospital unusable. There are three access routes to the hospital—from the north and south on Terwilliger Boulevard, and through the university and it is extremely unlikely that earth slides would block Terwilliger Boulevard from both directions at the same time. The entrance through the university is

off Terwilliger Boulevard, but it occurs prior to the area susceptible to slides. Since the VA hospital opened in 1928, there has never been a land slide which impacted on the operation of the hospital. Therefore, the point made in the report that the Marquam Hill site can be isolated by a possible earth slide is not supported by historical fact.

The VA recently commissioned the Dames and Moore engineering firm to study the Marquam Hill site. Their report of October 21, 1977 concludes that the characteristics of the Marquam Hill site in no way preclude construction of the hospital on that site.

IX. ACCESSIBILITY AND PARKING

The report is critical of the accessibility to Marquam Hill and includes in this section discussion concerning the present parking situation, difficulties in movement by wheelchair bound patients, and the access routes. The current availability of parking on the Marquam Hill site is irrelevant to this issue. The new construction will entail the provision of an adequate number of parking spaces to accommodate patients, staff, and visitors to the hospital.

In the development of any new VA hospital, multiple design factors are employed to adapt the facility to meet the needs of handicapped persons. This includes the convenient location of parking, sufficient vertical transportation systems, and the removal of the impediments to insure freedom of movement by wheelchair patients on the grounds and within the hospital. This will occur at the Emanuel location as well as Marquam Hill.

There are measures to improve the access of motor vehicles to Marquam Hill and these must be fully developed. It is important that a primary emphasis be placed by VA on traffic control measures. The present parking situation is a primary contributor to the preception of a major access problem. When adequate parking is provided through the new construction, a great deal of difficulty will be eliminated. Steps are available and in fact underway to diminish the need for ingress to the property and a discussion of these follows later in this document. The road network on the site itself and the design of the hospital entrance is contributory to a problem of congestion. Re-design of the entrance and VA street pattern will prevent bottlenecks occurring as vehicles enter and leave the property. Public transportation and transportation to the site from the other VA locations in the area can be improved.

X. COMMUNITY RESPONSE

The issue of the Portland Replacement Hospital has been controversial and many elements of the community have expressed opinion.

The views of the veterans in the community are very important to the VA. The veterans service organizations have consistently favored the Marquam Hill location over the Emanuel site. The VA rejects that portion of the report which alleges that the views of the service organizations have been influenced by VA. The report refers to a Vietnam veteran who opposes Marquam Hill because of the problems with the movement of the handicapped. As discussed elsewhere in these comments, the design of the new facilities will eliminate this problem.

The residents of Marquam Hill have expressed concern about increased traffic in their neighborhood. VA has worked with this neighborhood group and explained measures which can be taken to alleviate this problem. It is VA's understanding that because of the many efforts being taken to curb traffic, the Homestead Neighborhood Association no longer objects to the location of the hospital on Marquam Hill. The Governor of Oregon has endorsed the VA hospital on Marquam Hill as well as the Board of Higher Education and the governing body of the University. The local Health Systems Agency, while opposed to the VA system, has concluded that if a hospital is to be built, it should be in Portland.

The report indicates that the residents of the Emanuel neighborhood support the location of the hospital at Emanuel. It is our understanding that at two public hearings held on the subject in Portland, objection was voiced by several area residents who were opposed to the relocation of the VA hospital into their neighborhood.

XI. TRAFFIC

A major concern of Portland area residents and city officials is that the location of the replacement hospital on Marquam Hill will generate large increases in the volume of traffic coming to the area and that this additional traffic will exceed the capacity of the road network. It has been estimated by the City of Portland that the hospital will generate an additional 1,300 vehicular trips per day (5.3%) and that potential residential development will increase traffic on the access routes to the hospitals by 4,840 trips (20%).

The VA has taken several steps to minimize any potential increase in traffic coming to Marquam Hill. The retention of the downtown clinic and the operation of a clinic in Vancouver will reduce the number of outpatients coming to the hill by almost 50 percent. The real concern about traffic is during the peak periods. It is at these times in the morning and afternoon when employees are moving to and from work that the streets are the busiest, and it is these times that the VA efforts focus on. We plan to locate the laundry and supply warehouse activity at Vancouver as well as the medical district staff. This action and operating the two clinics will significantly reduce the number of VA employees who come to the hill. We will also take several steps to reduce the number of hospital employees who drive to the hill. We plan to relocate the downtown clinic to a location closer to the hill and establish a fringe parking area off the hill at which employees can park and ride a shuttle bus to the hospital. We are working with the University in the hope that they will locate part of their outpatient activity at the VA clinic away from Marquam Hill and thus reduce the number of university employees and outpatients who come to the area.

We will be fully exploring ways to stagger employee shift times and will be encouraging additional use of employee car pools. The university will be asked to do the same.

These efforts are very encouraging that the increase in traffic if any will be held to an absolute minimum. In view of this, the neighborhood association has stated that they do not object to the new facility. The investigative staff report has indicated that the Mayor of Portland would have no objection to the Marquam Hill site if no additional traffic is created.

XII. SAFETY AND SECURITY

The report includes data on the number of crimes reported in the areas of Marquam Hill and Emanuel. The data however is not comparable because the reporting units are of varying geographical size and population density. This is noted by the investigative staff. The reporting "grids" of the Health Sciences Center and the VA hospital are much larger and have a significantly greater population.

The security force at the VA hospital reported that during the 12 month period ending June 30, 1977, 94 offenses occurred on the hospital premises. The Director of Security at the Emanuel Hospital reported that in the 6 month period ending June 30, 1977, 154 offenses occurred in the 55 acres patrolled by that security force. The Griffin-Balzhiser consultant reported similar information regarding a higher number of offenses in the Emanuel area compared to the Marquam Hill area.

It should be noted that throughout the high volume of correspondence received by VA on this issue, security in the Emanuel area has been a common theme.

XIII. SITE SELECTION

The VA selected the Marquam Hill site because of our belief that this location affords the best opportunity to meet the veteran health care needs in a facility which provides the highest possible quality of care This decision recognized that the cost of construction would be higher (5.4%) and that the Marquam Hill site exhibits a less convenient ease of access than would some of the other sites. On balance, these aspects although important were outweighed in the judgment of the VA by the quality of care issues and by the views of veterans and veterans service organizations.

The VA consultant on this issue, Griffin-Balzhiser, recommended a site on Marquam Hill. This fact is not diminished by the survey reports allegation that VA influenced the consultant to recommend a site other than their first choice. The importance which has been placed on the scoring methodology of Griffin-Balzhiser is unwarranted. This scoring method, developed for its study is an interesting, initial, and unvalidated attempt to rank competing sites. The VA has rejected the methodology as did Griffin-Balzhiser in their final recommendation. As noted, this mechanism was not intended as the final arbiter, but only as tool to narrow down the number of sites for further consideration. This produced three sites—two on Marquam Hill and the Emanuel location.

The Emanuel site was included originally because of the presumption by the consultant that this location had something to offer in terms of health care. This report by the Investigations Staff however does not touch on this aspect; but recommends the Emanuel site because of the smaller cost to construct and the accessibility in terms of road networks and public transportation. This recommendation is made after discounting the views held by VA relative to quality care and distance to the affiliated school.

The investigations Staff has in effect presented a new criteria by which to judge potential sites for hospital construction. If acepted, then one must presume that a variety of other sites in the Portland/Vancouver area would have these characteristics of reduced construction cost and accessibility. The other sites would not have been considered earlier because they could not meet the original criteria; but must be now identified and examined if these new criteria are to become primary considerations.

XIV. SUMMMARY AND CONCLUSIONS

The report of the Investigative Staff makes eight recommendations to the Committee.

Recommendation 1

Include in its budget justification to the Congress for proposed construction projects, sufficient planning and design work to formulate realistic estimates of scope and cost.

Recommendation 2

Describe to the Committee what interface has taken place between the VA's Department of Medicine and Surgery and its Office of Construction for the Portland Hospital project.

Recommendation 3

Justify to the Committee its basis for:

a. Estimating the proposed Portland Hospital space requirements and unit cost solely on the basis of gross square feet per bed.

b. Basing unit construction costs for the Portland and Vancouver facilities on the *average* of construction award costs for past hospital projects.

VA Comment

These recommendations have been fully addressed in the foregoing comments.

Recommendation 4

Submit to the Committee the rationale behind its adamant position to build the new facilities on Marquam Hill in the face of enormous added construction costs peculiar to building in this area.

VA Comment

This recommendation is based on the belief of the staff that $27.4 million would be saved by locating the hospital at Emanuel. The VA believes that a more realistic savings is $8.2 million or 5.4% less than the cost of constructing at Marquam Hill.

Recommendation 5

Explain why estimated expenses of over $1 million in new support facilities and relocation of utilities have been included in demolition costs for the new hospital.

VA Comment

The term demolition in the VA estimate represents the cost of demolishing and clearing the site. The relocation of the utilities is a necessary part of this site clearance.

Recommendation 6

Furnish a further detailed estimate of "portable" equipment costs, it being noted $22.4 million has been estimated by them thus far for this type equipment, based only on a "per bed" cost, with no itemized list available.

VA comment

As discussed in the foregoing, it is premature to develop such a detailed list at this time. When nearing completion of the hospital decisions will be made regarding which items of equipment in the existing hospital can be continued in use and at that time the latest advances in health care technology can be incorporated in the items of equipment to be purchased. This equipment estimate is unrelated to the issue of site selection, is not included in the construction appropriation, and can only be precisely estimated when the hospital is nearing completion.

Recommendation 7

Revise its hospital sizing methodology to develop bed requirements on the basis of average length of stay data in community hospitals.

In the matter of VA bed requirements, the Investigative Staff suggests the Congress consider granting the VA authority to use underutilized community hospitals and related services in connection with its care of veterans' nonservice-connected illnesses and the feasibility of considering surplus beds in the community hospitals in its determination of bed size requirements.

VA comment

These issues are of nationwide impact to the VA system and are not relevant to site selection.

Recommendation 8

Reevaluate their position that the new hospital should be built on Marquam Hill and build a single facility at the Emanuel site, consolidating all of their health care services at this location.

The Investigative Staff is of the opinion, after a careful analysis and evaluation of all the pertinent issues just discussed, that Emanuel is the better and more conomical site, for the following reasons: a. Proximity of the Veterans Hospital to the HSC is not necessary for a high quality of patient care.

VA comment

As discussed, the VA finds that proximity to the Health Sciences Center is an important aspect of maintaining and enhancing the affiliation which presently exists. The affiliation has a direct impact on quality of care and to relocate the VA hospital to the Emanuel site would lessen the intensity of this affiliation. The data presented in our comments shows that VA hospitals which are closer to the medical school affiliate generally have a greater percentage of board certifications, a shorter length of patient stay in VA hospitals, and a more rapid turnover rate. The information contained in the report does not demonstrate that relocation to the Emanuel site would preserve the strength of the affiliation and the quality of care provided.

b. Excessive costs are required to build on Marquam Hill.

VA comment

The construction cost at Marquam Hill is 5.4 percent greater than the Emanuel location.

c. Due to the topography of the Marquam Hill area, a slide hazard does exist there.

VA comment

This is discussed in our comments. There has not been a slide that has impacted on the VA hospital since it opened in 1928.

d. The elected and appointed officials of Portland, for reasons of possible increased traffic volume on Marquam Hill and the resultant costs to the city, favor the Emanuel site.

VA Comment

This is not correct. It is our understanding that the Portland city commissioners are split on this issue.

e. The lack of accessibility to the current VA hospital site on Marquam Hill is very real.

VA Comment

The accessibility to Marquam Hill is primarily a function of traffic. As discussed in the report, steps are and will be taken to curb any increase in traffic.

f. To satisfy the homeowners interests on Marquam Hill, the VA would have to fragment their health care services over several locations.

VA Comment

The VA decision to locate functions away from the hospital had several bases and not solely "to satisfy the homeowners' interests." The first considerations was to insure that any action taken would not impair the health care delivery of VA in the area. The VA proposal would not be detrimental to quality of care. The downtown clinic is a long standing operation and will be strengthened in the VA plan. The retention of this clinic in downtown Portland and the establishment of a clinic in Vancouver facilitates entry into the VA system. The ancillary services to be located in Vancouver will not seriously impair the operation of the health care system.

The VA has thoroughly analyzed the report of the Investigative Staff and has concluded that the evidence presented in the report does not justify the abandonment of the Marquam Hill site and the relocation of the VA hospital to the Emanuel location.

	VA estimate dated Aug. 29, 1977		Investigative staff's estimate, Emanuel	VA estimate revised, Oct. 27, 1977, Emanuel	Cost difference, estimates (3) and (4)
	Marquam Hill	Emanuel			
	(1)	(2)	(3)	(4)	
Site acquisition and preparation:					
Site acquisition		$1,900,000	$942,200	$942,200	
Additional urban development costs			250,000	250,000	
Park relocate				50,000	$50,000
Reimbursement—Boiler, parking, warehouse, and med. rec. bldg		1,200,000	2,264,000	2,264,000	
Demolish boiler		300,000	300,000	300,000	
Demolish existing VAH structure	$1,370,000				
Relocate utilities, construct new water tank	1,050,000				
Subtotal, site acquisition and preparation	(2,420,000)	(3,400,000)	(3,756,200)	(3,806,200)	(50,000)
Hospital:					
738 beds—929,880 ft² at $77.92/ft²	72,456,300	72,456,300	72,456,300	72,456,300	
Increase boiler house for NHCU	350,000	350,000	350,000	350,000	
Abnormal foundations	2,000,000				
Phasing (percent)	(10) 7,480,600	1,000,000		1,000,000	1,000,000
Parking—1,700 cars	6,500,000	8,250,000	2,724,100	8,250,000	5,525,900
Subtotal, hospital	(88,786,900)	(82,056,300)	(75,530,400)	(82,056,300)	(6,525,900)
Nursing home care:					
120 beds—52,000 ft² at $63.41/ft²	3,297,300	3,297,300	3,297,300	3,297,300	
Connecting corridor	60,000	60,000	60,000	60,000	
Abnormal foundations	100,000				
Subtotal, nursing home care	(3,457,300)	(3,357,300)	(3,357,300)	(3,357,300)	( )
Unknown factors (percent)	(6) 5,679,800	(6) 5,328,800	(3) 2,479,300	(6) 5,353,200	2,873,900
Base construction cost	100,344,000	94,142,400	85,123,200	94,573,000	9,449,800
Escalation (24.79 percent)	24,875,200	23,337,900	21,102,000	23,444,600	2,342,600

	VA estimate dated Aug. 29, 1977		Investigative staff's estimate, Emanuel	VA estimate revised, Oct. 27, 1977, Emanuel	Cost difference, estimates (3) and (4)
	Marquam Hill	Emanuel			
	(1)	(2)	(3)	(4)	
Contingencies (5 percent)	6,261,000	5,874,000	5,311,300	5,900,800	589,500
Technical services (10 percent)	11,865,800	11,132,400	10,065,900	11,183,600	1,117,700
Less: Additional cost savings from site conditions (4.66 percent)			−5,666,700		5,666,700
Total project cost	143,346,000	134,486,700	115,935,700	135,102,000	19,166,300
Vancouver total project cost	8,753,000	8,753,000	8,753,000	8,753,000	
Total	152,099,000	143,239,700	124,688,700	143,855,000	19,166,300

MARSHALL COMMENDED FOR OSHA REFORM

Mr. BUMPERS. Mr. President, I would like to commend the Secretary of Labor, F. Ray Marshall, for his decision to halt enforcement of 1,100 of OSHA's silliest job-safety rules. OSHA—the Occupational Safety and Health Administration—has become synonymous with intrusive, meddling, high-handed, inflexible, nitpicking, and infuriating bureaucracy. This may be unfair to some extent, for certainly the intent of the legislation forming OSHA was to protect the American worker from death and injury. OSHA has many employees whose dedication to job safety is unquestionable.

Unfortunately, much of the public, including notably small businessmen, perceive OSHA as bureaucracy run amok. Ever since I came to Washington, this image has continually been reinforced by the mail I have received from constituents. An automobile dealer was cited for failure to have a bulletin board. A small screw manufacturer got in trouble for not having a guard around a compressor belt that was virtually inaccessible between a huge machine and a wall. The complaints have poured in, and the combination of petty, ridiculous regulation with arrogant inspection and summary judgment has laid OSHA open to ridicule and contempt. This state of affairs detracted seriously from the very laudable aims of the job safety program. Employers have been so busy cursing OSHA's shortcomings that they have not been inclined to support its many good regulations.

Thus, it is with great pleasure that I take note of Secretary Marshall's burial of 1,100 of the regulations that he considered "nitpicking." That amounts roughly to one-tenth of all of OSHA's health and safety regulations. It is amazing to me that the most dedicated of bureaucrats could have dreamed up so many foolish rules, but there you have it. We should count our blessings, and hope that further review will exercise even more of these needless regulations.

Among the regulations just chosen for death are these:

A ban on "open-front type" toilet seats;

A rule that fire extinguishers can be no more than 3½ feet off the floor in some cases and 5 feet in others;

A requirement that kiln tenders be provided with a warm room.

Mr. President, I will spare my colleagues a verbal listing of the remaining 1,097 regulations that have just been declared "nitpicking."

In congratulating Secretary Marshall, I would just like to add the suggestion and the hope that President Carter will put pressure on the other Federal agencies to emulate the Labor Department's example. I feel certain that the President is serious about streamlining the Federal bureaucracy, and I earnestly hope that the step just taken by OSHA is only the first step out of the undergrowth. In fact, I am so heartened by this development that I allow myself to imagine that the Department of Health, Education, and Welfare may be the next agency to do away with 10 percent of its more foolish aggravations.

AMERICAN STEEL AND THE CARTER ADMINISTRATION—WHERE ARE WE NOW?

Mr. HEINZ. Mr. President, in this week's Newsweek, Columnist George Will eloquently summarizes the situation in the American steel industry today, particularly the extent to which it is affected by subsidized competition from abroad. Mr. Will points out that while free trade may be an elegant ideal; in fact, our trade is anything but free. We no longer have a real market economy in steel in the world, and instead we are competing with foreign companies that, if not owned outright by their governments, are heavily subsidized by them. The result is that the rest of the world is playing the game by different rules, and if we continue to ignore that fact, the situation is only going to get worse.

The adminstration today made public its plan to help the steel industry, which includes as its centerpiece a "reference price" system to provide a swifter, surer determination of dumping when it is occurring. Despite the respectability of the administration's goal in this program—reducting steel imports to the 12- to 14-percent level from the current 20-percent level—I have serious doubts as to whether this program will achieve these goals.

The system will be cumbersome and complicated to develop and administer. The Government has had little success in recent years in attempting to influence or control prices, and it is quite likely that the reference price concept is going to be subject to the same problems, omissions, and inequities that crippled the price control program of several years ago.

One serious inequity is that, by basing the reference prices on Japanese production costs, European steel will still be dumped in this country. Since European costs are higher than the Japanese, they will be able to sell here below cost yet still be above the reference prices. This means the system will impact less heavily on European steel and, therefore, will provide little or no relief for those American companies that compete with the Europeans. Regionally, this means the East will suffer, while the West and South will gain a measure of protection from Japanese imports. Nationally this could mean a net gain for the industry—assuming the whole system works—but regionally it promises significant disparities, disparities that will adversely affect the Northeast—the center of steel activity in the country.

The Treasury Department has yet to explain how it plans to deal with this problem, but it is something Congress will scrutinize carefully in the next month.

Another disturbing disparity is that between the plan and what the President promised last month. Setting reference prices is not law enforcement against unfair trade as the President promised, it is price setting by the Government, a process which is inevitably subject to political influences. This procedure represents a Government intrusion into decisionmaking in the steel industry which will have serious long-term consequences.

Finally, all should realize that trade problems are only a part of the total situation. The administration's proposals for modernization, pollution control tax incentives, and assistance to impacted communities will have the most significant long-term impact on the industry. In the case of all these, however, the administration proposals have not yet appeared in any detail and may not for some time. Any modernization or pollution control tax incentives will emerge as part of the general tax reform program due next year. Other comments in today's report on pollution control and community assistance were vague in the extreme. An earlier reference to $21 million in EDA funds that were to be made available for distressed steel companies has mysteriously disappeared from the final report, leading one to wonder the real depth of the administration's commitment to doing something on behalf of those already laid off.

These and other questions will be examined by the members of the Senate and House steel caucuses in the coming

weeks. The administration's plan is carefully designed to require no legislation, but there is no question we will not hesitate to propose legislation—as we already have with respect to trade procedures and buy American legislation—to correct the deficiencies in the administration proposals.

Mr. President, George Will's column is an excellent commentary on the problems of the industry and the need for us to reorient our thinking on trade. I am doubtful that the administration's program can solve the problems posed by Mr. Will, and I fear that Congress may have to take the initiative. I ask unanimous consent that the George Will column from Newsweek be printed in the RECORD.

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

BIG STEEL AND BIG GOVERNMENT

(By George F. Will)

Ladles of molten minerals and rolling ribbons of glow make steel mills the great industrial spectacles. Not all eyes are pleased by such spectacles. In 1787 Robert Burns scratched this poem on the windowpane of an iron foundry:

We cam na here to view your warks,
In hopes to be mair wise,
But only, lest we gang to hell,
It may be nae surprise.

But there is poetry in people manipulating the violence of a volcano.

Steel is the symbolic metal of the industrial age, as gold was of aristocratic ages. Steel is everywhere, in the rails that first knit America together and in the skeletons of skyscrapers, cathedrals of commercial civilization. Steel towns, like Donora, Pa., where Grandfather Will ministered to Lutheran souls, still have what much of the nation has lost: a sense of the role of hard physical labor.

Although steel is only a $36 billion industry in a trillion-and-a-half-dollar economy, it is a symbol of national strength. Today the U.S. steel industry is ailing, and just as its robustness once typified the prodigies of private enterprise, its problems reflect the transformation of that system.

The industry's problems are writ large in losses and layoffs. Bethlehem's third-quarter loss of $477 million was the largest quarterly loss ever by a U.S. corporation. More than 60,000 steelworkers are eligible for government aid because of the impact of imports.

IMPORTS AND SMALLER CARS

The trouble is not just imports. During the 1930s, demand was so low that U.S. steelmakers had no reason to modernize for efficiency. During the 1940s and part of the 1950s, demand was so strong that there was no need to be more efficient. Capital spending by U.S. industry is sluggish, and capital goods account for more than half of steel production. Cars are shrinking, so Detroit's appetite for steel is, too. (Chevrolet's Malibu shed 396 pounds of steel this year, and Detroit's diet has just begun.) Steelworkers' salaries and benefits are high.

However, imports have been a growing problem for years. For fifteen years, steel has been part of the nation's balance-of-payments problem. Last year the U.S. imported $2.8 billion more steel than it exported, and imports currently capture about 19 per cent of the U.S. market. In the first half of 1977, imports won 74 per cent of the growth of U.S. demand.

To regard this as simply the proper outcome of "free trade" is to obscure reality with a concept that is increasingly irrelevant to a world of politicized economies. The idea of "free trade" implies competition between producers who are comparably disciplined by market forces. But U.S. steel companies compete less with foreign companies than with foreign governments. About 44 per cent of world steel production is by government-owned companies.

THOSE 'PRIVATE' FOREIGN FIRMS

Outside the U.S., the major "private" companies are subsidized and directed by governments that use them as instruments of economic policy to promote employment and trade. Between 1950 and 1975, the number of nations with steel industries grew from 32 to 71. The expansion of steel capacity in many countries does not reflect calculations of domestic demand. When the production levels are determined by employment priorities, price levels are determined by the problem of moving the product through aggressive exporting. This is one reason for predatory pricing, such as "dumping" (selling the product abroad below cost).

The largest steel company, Nippon, is part of the fabric of government agencies—and what are smilingly called "private" enterprises—that constitute Japan's economy, known as "Japan, Inc." Japan's steel industry pays 173 per cent more for oil than it did before the price increases. But the average for all Japanese industry is 282 per cent more. Steel gets a subsidy worth $5 a ton in reduced costs. About 83 per cent of the Japanese steel industry's capital structure is debt. This compares with 23 per cent in the U.S. industry. Government policy, sustained by the Bank of Japan, gives steel firms an abundance of capital. (In the U.S., government policy will require the steel industry to sink perhaps 25 per cent of its capital spending over the next few years in antipollution equipment. Japan's industry bears no comparable burden of investment in nonproductive facilities.) If U.S. firms tried to form joint-production ventures to match the economies of scale that Japanese firms enjoy, government antitrust lawyers would pounce.

In steel, governments are decisive, worldwide. In 1975, Common Market governments forced Japan to limit exports to Europe, thereby diverting steel to the U.S., where in 1976 Japanese imports rose 37 per cent. It is altogether fitting that the President's special trade representative is Robert Strauss, former Democratic National Chairman and a politician to his fingertips. International business is political business.

Even in periods when "free trade" is the ascendant ideology, governments that espouse it believe, as Benjamin Disraeli did, that "free trade is not a principle, it is an expedient." A nation respects market forces when those forces respect its interests. Nations have trade policies; they treat trades as an instrument of political purposes. Of course Japan, Inc., pursues economic dynamism with the fervor of a nation that otherwise would have to export people. This is not the first time the world has had reason to notice that Japan is an archipelago where the ratio of population to resources means that aggressive exporting is not optional. The second world war was, in part, about how (and where) Japanese should live. The answer seems to be: by exports.

ECONOMIC METAMORPHOSIS

The U.S. Government could help the U.S. steel industry by enforcing anti-dumping laws; by changing antitrust laws, by changing tax laws to speed depreciation of equipment, and to base deductions on replacement costs rather than historical costs; by quotas; by duties on steel sold below "reference prices" (perhaps based on real Japanese production costs, if anyone can decipher them); even by straight cash subsidies.

Some forms of assistance would involve more collaboration between government and business than Americans generally consider proper. But the consensus in most industrial societies is that enterprise generally, and especially basic industry, is permeated with public interests and so government should be an active, even dominant, collaborator. Because the distinction between public and private sectors is decreasingly meaningful, traditional "free trade" ideology is increasingly anachronistic. And the steady politicization of major economies exerts pressure toward further politicization of the U.S. economy, which cannot be impervious to the worldwide dynamic of collectivization and semi-socialization. It is perhaps, fitting that steel, symbol of the traditional enterprise economy, today dramatizes the metamorphosis of that system.

IS THERE A B-2 BOMBER IN OUR FUTURE?

Mr. PROXMIRE. Mr. President, the decision by the House of Representatives to continue construction of two additional B-1 bombers renews a controversy that has captured the attention of Congress for 4 years. As President Carter is reported to have said:

The B-1 seems to have a life of its own.

Although the most recent House vote may only prolong the agony of a final decision for another month or two, the longer term issue involves replacing the B-52's with another bomber—be it a penetrator or a standoff platform.

Clearly, the case for the FB-111H is the weakest of the alternatives being considered, while the cruise missile carrier promises the greatest cost-benefit ratio. Nonetheless, it is not assured that either the most obvious or rational choice will be made. There are many complicating factors: Regional politics, SALT considerations, bureaucratic interests, and lobbying by defense corporations.

Placing these conflicting elements in perspective is often difficult to accomplish. Therefore, I recommend a recent article published in Arms Control Today to students of the B-1 controversy. It is written by Ron Tammen, a brilliant young expert and a member of my staff who has followed the B-1 debate for a number of years.

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

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

THE BOMBER DEBATE: IS THERE A B-2 IN OUR FUTURE?

(By Ronald L. Tammen)

"The B-1 seems to have a life of its own," the President is quoted as saying a strategy meeting with Congressional leaders. And so it did. It required a Presidential declaration, 15 separate votes in Congress, a nationwide grass-roots campaign and the evolution of the cruise missile to halt development of the B-1. Even then, the margin was razor thin at every step, and support continues to run high for another manned, strategic, penetrating bomber program to replace B-52s.

The key to stopping the B-1 was forged by Sen. John Culver (D-Ia.)—the delay amendment. Anticipating a Democratic victory in the 1976 Presidential campaign, Sen. Culver succeeded in convincing a majority of the

Senate to delay full-scale production of the B-1 until February of 1977. Although his proposal was not accepted by the House of Representatives, a similar amendment by Sen. William Proxmire (D-Wis.) was signed into law as part of the military appropriations bill.

With the election of President Carter, the Air Force decided to delay the B-1 production decision even further, until the summer of 1977. Then, on June 30th, despite widespread expectation of B-1 approval, the President chose the B-52s and the cruise missile as alternatives to the $24 billion B-1 program. The Air Force suffered a severe shock but recovered quickly and set in motion a number of back-up strategies.

Nor did the President's announcement end the Congressional debate. The Senate voted overwhelmingly for cancellation. The House, which on June 28th had supported the B-1, later narrowly rejected it by a vote of 202-199. But the House Appropriations Committee refused to allow the President to stop spending $462 million in "prior-year" funds for two more B-1 aircraft. To further confuse the issue, another "new" manned penetrating bomber emerged as an alternative to the B-1. The President's decision seemed in danger of reversal.

THE CONTENDERS

When the President cancelled the B-1, he cited the cruise missile and the improved B-52 as the near-term replacement with cruise missile carriers (an aircraft designed to carry the new air-launched cruise missile) as a possible future option. Yet he did not completely rule out either the B-1 or another manned, penetrating bomber. This ambiguity led to three perhaps unanticipated responses. First, it gave hope to B-1 supporters that, given a fortuitous event, the program could be resurrected. Secondly, it encouraged the Air Force and defense contractors to pursue other manned bomber alternatives. Thirdly, and perhaps most importantly, it raised once again, but in new circumstances, the entire question of the future of the bomber portion of the Triad of strategic deterrent forces.

Several schools of thought have emerged. Some advocate a pure "stand-off" force of aircraft armed with cruise missiles to replace the B-52 fleet, while others argue for a predominantly "penetrating" force of new bombers. Still a third view is that the bomber force should be mixed, so as to complicate further an adversary's air defense problem. Adherents of this approach differ, however, over whether this mixed bomber fleet can be achieved by modifying existing aircraft or whether it requires new planes. The Administration favors the former option, calling for B-52 modifications and improvements while examining the long-term potential of the cruise missile carrier.

Believing that the bomber force provides insurance against "unexpected breakthroughs" in anti-submarine warfare and anti-ballistic missile technology, but without provocative first-strike implications, the Administration wants to preserve this so-called "air-breathing" component of the deterrent force (as contrasted with the submarine- and land-launched ballistic missiles). It calculates that the improved B-52 followed later by a cruise missile carrier will permit a survivable, retaliatory (second-strike) capacity that will match or exceed projected Soviet strategic growth in warheads, megatonnage, throw-weight, and hardened target destruction capability through a least 1986 *without* the B-1 or other new bomber and *without* the new MX mobile missile. This approach, moreover, would save $10 billion in constant fiscal year 1978 dollars, as compared to the cost of a moderate force of 150 B-1 bombers.

The Administration backed up its position by sending Congress a $449 million supplemental military authorization bill requesting funds for upgrading the B-52s, for accelerating development of the cruise missile and for early testing of a cruise missile carrier. No funds were sought for a new, manned, penetrating bomber.

Nonetheless, a contender was waiting, the FB-111H. Proposed as early as 1973 by its prime contractor, General Dynamics, the FB-111A medium bomber, with which it shares a 43 percent common structure. Though similar to the FB-111A, the new "H" model would be 12 feet longer, have a more restricted wing arc, use B-1 engines and electronics, and carry a modified tail section.

The Air Force enthusiastically embraced the FB-111H. No longer the unmentionable stepchild of the B-1, the FB-111H was widely praised and its supporters recommended a full development plan to Secretary of Defense Harold Brown, who initially refused to make a for-or-against decision.

At the same time, the cruise missile carrier was coming under attack. The military supplemental bill contained a request for $90 million to purchase and test a cruise missile carrier. Under scrutiny by B-1 supporters in the House and Senate Armed Services Committees, the Administration's plan was found to be almost non-existent. There was no specific spending plan for the $90 million, soon revised downward to $50 million; there were none of the timetables, cost estimates, or performance indicators essential for a go-ahead decision.

Though denigrated by some, the cruise missile carrier concept is popular with other Congressmen because of its cost-effectiveness. A force of 50 cruise missile carriers could be deployed with about 3,000 cruise missiles at a cost of $5.8 billion for the aircraft and $3.4 billion for the missiles. A fleet of 100 carriers with 6,000 missiles would cost $16.5 billion. This compares to a 240-aircraft B-1 program cost of $24 billion. The roughly 5,000 nuclear "loadings" of the B-1 force, including short-range attack missiles, would account for another $4-5 billion.

Rockwell International, the B-1 prime contractor, sought to capitalize on Washington's renewed interest in the bomber issue. It was already making a major effort to retain manufacturing capability for the B-1 until 1981 by encouraging the House of Representatives to deny the President's rescission of fiscal year 1977 B-1 funds, thereby allowing production of two more aircraft. Noting Congressional and Air Force interest in the FB-111H, Rockwell designed two lower-cost versions of the B-1. A fixed-wing cruise missile carrier option was proposed to compete with the FB-111H by carrying 16 internal and 14 external missiles at about two-thirds the B-1 cost. A higher-cost, combined penetrator/cruise missile carrier was also conceived. This proliferation of options and arguments encouraged bomber enthusiasts and brightened prospects for some form of new manned, strategic bomber.

SENATE STRATEGY

While it appeared that the House of Representatives might simply either resurrect the B-1 or fund the FB-111H, a more comprehensive plan emerged in the Senate Armed Services Subcommittee on Research and Development.

First, the Administration's poor showing in justifying the cruise missile carrier program was used to support a cut in requested funds from $50 million to $5 million for a "definition study." Rejecting a plea from Secretary Brown that "this option is extremely important particularly because it would allow us to expand our strategic capability rapidly," the Subcommittee held that a "costly aircraft flight demonstration" is unnecessary due to a "lack of urgency."

While the Subcommittee cut monies for the cruise missile carrier, it funded the FB-111H at a level of $20 million. Since no funds for the FB-111H had been requested by the Administration, Chairman John Stennis (D-Miss.) would not include this item in the supplemental military authorization bill until formal approval could be obtained from the Defense Department. After a personal conversation, a letter was received from Secretary Brown indicating that he would agree to $20 million for preliminary development work as a "prudent step."

The third element was the Subcommittee's addition of a special $5 million authorization for a study of another manned, penetrating bomber called the BX. Again, this was not requested by the Administration.

HOUSE AND SENATE BOMBER PLANS COLLAPSE

The letter from Secretary Brown to Senator Stennis on the FB-111H touched off a protest in the House from B-1 advocates and critics alike. B-1 advocates decried the FB-111H funding as not cost-effective. Critics saw the aircraft as the "Son of B-1." This unusual coalition struck the FB-111H funding recommended by the House Armed Services Committee in the supplemental military authorization bill. The Senate, however, restored the money in the Conference Committee on the authorization measure.

When House B-1 supporters attempted to resurrect the entire program through the supplemental appropriation bill, only a plea for party unity by Speaker Tip O'Neill and a strong lecture on deterrence by Appropriations Chairman George Mahon defeated the amendment to restore $1.4 billion for full-scale production. The Administration, in contrast to its earlier efforts, also mounted an effective lobbying campaign. With that vote, the B-1 issue seemed to be settled, with only the "prior year" funding question remaining to be decided in late November.

A compromise on the cruise carrier was reached when the Senate agreed to fund a study at the level of $15 million, higher than the $5 million recommended by the Senate Armed Services Committee but less than the revised Administration request for $50 million. The House agreed to the $15 million figure. Ultimately, the unrequested funds for study of the new BX strategic bomber were deleted entirely.

Finally, the unsought FB-111H option was knocked out of the supplemental appropriations bill in the Conference Committee by House conferees, who were adamantly against it. The FB-111H proposal is not entirely dead, however. The conferees agreed that the deletion of the FB-111H funds was done "without prejudice to the program" and that they would consider any official request this year or next for more funds. For the FB-111H supporters this invitation may prove irresistible, now that the complicating issue of the B-1 appears settled.

IS THE FB-111H THE BOMBER OF THE FUTURE?

Assuming a need to extend the life of the bomber force, the FB-111H seems a poor candidate for this role in the 1980s. In terms of basic capability, it cannot compete with the B-52 fleet. Current plans call for a mixed force of about 300 B-52s, with 150 B-52Gs as stand-off cruise missile carriers and about 150 D and H models as penetrators. The modifications recently approved by Congress will extend the life of the B-52 into the 1990s, allowing a mixed force for penetrating and stand-off missions for the next 10-15 years without producing a new bomber.

As shown on the accompanying chart, the FB-111H has about half the cruise missile capability of the B-52 and less range regardless of the assigned mission. Its radar cross-section and infrared signature provide improved protection against air defenses, but it remains much more vulnerable than a 19-foot cruise missile.

If the B-1 is not cost-effective, there is no calculation that can make the FB-111H

cost-effective for the same mission. A force of 165 FB-111Hs would have a 20-year life cycle cost of $17 billion compared to an equal alert force of 61 B-1s at $11.5 billion. The production cost for modifying 65 FB-111s and manufacturing 100 FB-111Hs by 1985 would total $7.02 billion, barring future cost growth. There would be no competitive bidding for the airframe or engines for this aircraft, which are manufactured by General Dynamics (with a sole-source contract) and General Electric, respectively.

Two major strategic bomber studies have, in recent years, analyzed the FB-111H. In commenting on the Joint Strategic Bomber Study during the Ford Administration, one defense official noted that the FB-111H was "markedly cost-ineffective compared to all other forces" and that it is deficient in range, payload and electronic countermeasures. According to Secretary Brown, whose B-1 study resulted in the cancellation of that program: "We eliminated the FB-111H. Our analysis showed no significant advantage in cost or effectiveness over the B-1." He also concluded that the BX recommended by the Senate R&D Subcommittee could not save money and would take too long to develop.

It appears that the B-1 as such is dead. Nevertheless, the bomber debate is not, and, given past support in the Congress and the Air Force, could still lead to another manned, penetrating bomber.

COMPARING STRATEGIC BOMBERS

Characteristics	B52G/H	B-1	FB-111H
Length (feet)	159	151	88
Width (feet)	185	70/137	45/70
Maximum takeoff gross weight (pounds)	488,000	395,000	140,000
Crew size	6	4	2
Internal nuclear payload	12	24	4
External nuclear payload	12	.....	10
Cruise missile capability (internal and external)	20	24	10-14
Low altitude penetration (mach)	.53-.55	.85	.85
Penetration altitude (feet)	400	200	200
Maximum high altitude (mach)	.90	1.6	1.6
High altitude cruise (mach)	.77	.70	.75
Ferry range (high altitude unrefueled—nautical miles)	c. 8,000	c. 7,000	c. 6,000
Total program cost (billions of inflated dollars)	.....	24	7
Program unit cost (millions of inflated dollars)	.....	102	45

DR. LAURENCE N. WOODWORTH

Mr. DOLE. Mr. President, I was deeply shocked to hear of the death of Dr. Laurence Woodworth. Those of us on the Finance Committee have lost a valued friend and adviser. The suddenness of his death comes as a surprise, since many of us saw him hard at work shortly before his stroke last weekend.

Larry Woodworth served as the chief of staff for the Joint Committee on Taxation for 12 years and had worked as an economist there for 20 years before that. When he left the joint committee earlier this year to become Assistant Secretary of the Treasury for Tax Policy, he was widely praised by members of the Finance Committee of both parties for the work which he had done over the years. Anyone who ever attended a markup session of the committee during those years knows the value of the technical advice which Dr. Woodworth provided.

When President Carter tapped him for the Assistant Secretary's position, the President brought to the executive branch a dedicated, principled, and thoroughly knowledgeable public servant. He was one of those rare individuals with expertise in a thoroughly complex subject who retained the ability to explain that subject in a fair, impartial, and comprehensive manner to nonexperts. Likewise, you could depend on his advice for its technical accuracy and precision.

His brilliant counsel was as widely appreciated as it will now be missed.

In the very finest sense of the word, Dr. Woodworth was a professional. When he left the joint committee to move into the executive branch, the Finance Committee was consoled with the knowledge that it would still benefit from his help and assistance when needed. When he left us to take his new job, we knew that his tremendous talents would continue to serve the American taxpayer. Sadly, there is no such consolation today.

Especially today, with the proposals for tax simplification and reform a major topic, he will be sorely needed, and sorely missed. His passing will leave an enormous void, accented by the reliance which many had placed in him.

Mr. President, I join my colleagues in expressing our deep sympathy to Dr. Woodworth's wife, Margaret, and to the rest of his family.

MEMORIAL TRIBUTE AND PRAYERS AT THE FUNERAL OF JOHN L. McCLELLAN

Mr. BUMPERS. Mr. President, a beautiful tribute to John L. McClellan, late a Senator from the State of Arkansas, was delivered by our Senate Chaplain, the Reverend Dr. Edward L. R. Elson, at the Immanuel Baptist Church in Little Rock on November 30, 1977. This tribute was delivered as part of the funeral services for Senator McClellan, and I want to take this opportunity to share it with the Members of the Senate and the public.

Mr. President, I ask unanimous consent that the memorial tribute and prayers delivered by Dr. Elson on this occasion be printed in the RECORD.

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

MEMORIAL TRIBUTE AND PRAYERS AT THE FUNERAL OF SENATOR JOHN L. McCLELLAN

In the classical literary style of the Bible, a few days ago, Senator John L. McClellan informed the world he would not seek another term in the United States Senate, saying "There is a proper time to aspire, a time to achieve and a time to retire". Then he quoted the words of the third chapter of the Book of Ecclesiastes:

"To everything there is a season, and a time to every purpose under heaven".

Had he continued the quotation, paragraph after paragraph would amplify the opening verse. The passage continues—

"A time to be born, and a time to die; a time to plant and a time to pluck up that which is planted;

"A time to kill, and a time to heal; a time to break down, and a time to build up;

"A time to weep, and a time to laugh; a time to mourn, and a time to dance; . . .

"A time to get, and a time to lose; a time to keep, and a time to cast away;

". . . a time to keep silence, and a time to speak;

"A time to love, and a time to hate; a time of war, and a time of peace; . . .

"He hath made everything beautiful in his time: . . .

"I know that, whatsoever God doeth, it shall be for ever: . . ."

And this is the time to thank God for the life, the work and the witness of John McClellan and to offer our tribute of affection and esteem.

He came right out of the life of our common humanity to give half a century of public service to the people he loved.

Motherless at three weeks of age he had the good fortune to have a school-teacher-father, who of necessity, took the tiny boy to the one room school with him, where as a precocious four year old could read and write and do arithmetic. By six years of age he was in the fourth grade and absorbing lessons of the other grades.

Father and Son read law and by seventeen young John was admitted to the State Bar, the youngest in history and he never stopped studying law.

John McClellan was devoted to the law. But first of all he was committed to the law of God made known on Mt. Sinai and the basis of all civil law. The marks of the talented lawyer, the skillful inquisitor, the gifted prosecutor, the eloquent protagonist of law and order, was upon everything he touched. He said and he did what he believed to be right, whether popular or not. He challenged and later defied a committee chairman whose procedures and practices he regarded as unwarranted, unethical and illegal. The law he knew and practiced as a gentleman.

His name is written large in achievements for his State and Nation. His crowning memorial may yet be the Criminal Code Reform Act of 1977, which if adopted, will be the first comprehensive revision of the Federal Criminal Code in the Nation's history.

John McClellan lived by the elemental virtues—chastity—sobriety, frugality—and these qualities flowed from the center of his daily life.

He had a profound sense of duty. Once he gave you his word, no other guarantee was needed. Once he took an oath of office he was committed—totally—with all the power of his being. From that moment on there was no deviation.

He believed in work—all kinds of work—not simply as a means of livelihood, but as a way of life. He believed work was God's design for life and for him obedience to the Biblical injunction was mandatory, "man shall live by the sweat of his brow." Lavishly, unsparingly he poured out his energies of mind and body in the service of others. How he worked!!!

Though somewhat reserved, John McClellan was outgoing and genuine in his friendship. He made scores of friends—young and old, rich and poor, the high and the low. For more than thirty years in Washington I have known him. He always had time for the Chaplain in exchanges of good humor or deep discussions about some of the vexing moral ambiguities of Senate work.

The only enemies he had were criminals, or those who demeaned the country he loved.

He lifted life wherever he went. Whatever he touched was enhanced. His life was one of kindness and compassion. Like His Master he went about doing good. He loved God with his heart and mind and strength. He trusted in the finished work of Christ for the well-being of his soul.

Throughout his life he taught us in unforgettable terms how a Christian turns suffering into a testimony. From sorrow he distilled dignity and character and love.

After his second son was killed while *en route* to the reburial of another son, he exclaimed one day among friends in the Senate, "What more can one man endure!" And there was more. Another son was taken. And with Christian grace and nobility he bore the grief, building a stronger charac-

ter, a deeper faith, a purer life—making the best of life's remainders.

"I walked a mile with Pleasure,
She chatted all the way
But left me none the wiser
For all she had to say.

"I walked a mile with Sorrow
And ne'er a word said she
But O the truths I learned from her
When Sorrow walked with me."

That was John McClellan's lesson to us.

In the prologue to the Gospel of St. John there is an unforgetttable sentence in which the writer describes the Herald of the coming Messiah saying: "There was a man sent from God whose name was John . . ."—a total biography in one sentence.

"There was a man."—What nobler description could a person have? What greater praise? Nothing needs to be added, nothing can be taken away.

He was a "man sent by God—and his name was 'John'."

There was a man sent from God, whose name was *John McClellan*.

With thankful hearts for God's gift to us, we give him back to the tender care of the Heavenly Father.

Let us pray.

Almighty God, Father of mercies and giver of all comfort, deal graciously, we pray Thee, with those who mourn this day, that casting every care on Thee, they may know the consolation of Thy love and the healing of Thy presence, through Jesus Christ, our Lord.

Be graciously near to Norma and all those dear to John, to give them strength and wisdom for the pilgrimage ahead, through Jesus Christ, our Lord.

Our Father God, we thank Thee for all the sacred memories and hallowed recollections which cluster about this hour. We thank Thee for Thy servant John, for his manhood, his love of country, his devotion to duty, his selfless public service, his magnanimity, his compassion, his innate spirituality, his steadfastness to truth and justice, for the depth and durability of his faith, and for all that endeared him to so many.

Suffer us not miss the meaning of this hour. May a new spirit arise in us this day. Give us eyes to see and hearts to feel something of his spirit among us that we may be true as he was true, loyal as he was loyal, great enough and strong enough and good enough for our time and duties.

And now, O Father, who doest all things well, with thankful hearts that Thou hast given him to us for a season, we give Thy servant John back to Thy tender care until the shadows flee away and the brighter day dawns, when the visible and the invisible are one in Thy higher kingdom.

Through Jesus Christ, our Lord. Amen.

PANAMA CANAL

Mr. McCLURE. Mr. President, our distinguished colleague from Kansas (Senator DOLE) has played an important role in the consideration of the Panama Canal Treaties now before this body. In these past months he has issued perceptive analyses of provisions written in his usual articulate style, and proposed a number of modifications to the treaty language which would go far toward correcting these problems.

Recently, in response to an article in Forbes magazine dismissing the possibility of severe economic hardships in the event of a Panama Canal closure, Senator DOLE wrote the publication, pointing out the flaws in its argument. It is evident to many of us in this body, and certainly to the American citizens whose livelihood would be directly affected by a canal closure, that the unavailability of the canal shipping route would severely impact on our economy, and have a disastrous effect on those segments of the market most dependent on it.

I salute my distinguished friend for eloquently articulating the situation in his letter to Forbes, which he has kindly agreed to have placed in the RECORD by me for the benefit of all our colleagues.

Mr. President, I ask unanimous consent to print in the RECORD the text of Senator DOLE's letter to Forbes in response to its November 15 article, "The Canal Without Rhetoric."

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

U.S. SENATE,
Washington, D.C., December 5, 1977.

FORBES MAGAZINE,
New York, N.Y.

DEAR EDITOR: In its November 15 article, "The Canal Without Rhetoric," *Forbes* seems to contradict itself. It asserts that "from a practical economic point of view" the U.S. "almost certainly" does not need the Panama Canal. Yet in its analysis of the impact of a canal closure, it describes several sectors of the nation for whom the consequences would be disastrous.

Admitting that certain "shifts in trade" would occur, the article comments that one-fifth of all U.S. farm exports travel through the Canal to the Far East. If the canal were closed, it adds, these grain producers "could pay the highest price" as a result of "increased competition for foreign producers."

Since the article concludes, however, that economically the Canal is "more symbol than substance," I assume that FORBES editors regard the economic chaos this would produce in our farm states as a point significant enough to mention but not important enough to worry about.

In an effort to protect the economic interests of the United States, I have proposed Amendments to the pending Canal Treaties. To protect commercial shippers from unreasonable increases in Canal tolls, I want to cut in half the proposed payments of $60 million a year to Panama from toll revenues. And to protect our short-cut route to Asian markets, I would eliminate the provision now in the Treaties that prevents the United States from constructing a new Canal in any other country if the one in Panama is ever closed. These modifications in the pending Treaties are vital to American agriculture and commerce.

The United States Department of Agriculture has provided statistics on the magnitude of our commercial use of the Canal in shipping of agricultural goods. One-fifth of all corn exports, one-fourth of soybean exports, almost half of our sorghum production and much of the hard red winter wheat from the Great Plains goes through the Canal on its way to foreign ports. Much of this grain goes to Japan, which is now the single largest country market for U.S. farm products. The total trade is worth about $8 billion, and its disruption could plainly cause financial ruin for thousands of farmers.

I sincerely believe that the best way out of the current cost-price squeeze in which so many American farmers are caught is through expanded exports. For that reason, an accessible and inexpensive Canal shipping lane is imperative to U.S. agricultural producers.

Other dislocations are cited in the article. *Forbes* admits that "the Canal . . . is the only avenue for shipping Alaskan North Slope oil to the U.S. East Coast" and that at present there is no contingency proposal for bringing the fuel to the East. The article also indicates that "without the Panama Canal the East Coast ports are sure to suffer." These words translate into hundreds or thousands of workers shifting from productive work onto public assistance, and into an increased strain on the already fragile urban economies of the East. While according to the article business in West Coast ports would increase, this is not likely to be of great comfort to the unemployed dock workers of New York or Baltimore, for whom moving would be a significant financial hardship.

Finally, the article suggests that we would be affected far less than a number of other nations, and lists Ecuador, Peru and Colombia as examples of countries who would feel a Canal closure intensely. This brings to mind that one of the reasons given in support of the Treaties is the improvement of relations with Latin America; according to this argument, ratification of the documents will help persuade Latin America to reciprocate our feeling of friendship.

The article suggests that "without the Canal, the U.S. East Coast market for Ecuadorian bananas and Colombian coffee would disappear. But there is plenty of coffee elsewhere." I suggest that this type of attitude on our part will hardly enhance U.S.-Latin American relations.

It is clear from this review that a Canal closure, or even a substantial increase in tolls, would involve far more than what *Forbes* surprisingly describes as "shifts in trade." Although some segments of the economy may benefit slightly from the situation and some will remain untouched by the change, for other sectors the closing of the Canal would signal wholesale unemployment and widespread bankruptcy. The Panama Canal may be an economic "symbol," as *Forbes* maintains, but the problems its closing would cause are substantive.

Sincerely yours,

BOB DOLE,
U.S. Senator.

WILEY A. BRANTON NAMED DEAN OF LAW SCHOOL

Mr. BUMPERS. Mr. President, I take great pleasure in noting the appointment of Wiley A. Branton, a native of Pine Bluff, Ark., as dean of the Howard University School of Law. Mr. Branton is a distinguished son of my State, having practiced law with distinction for many years in Arkansas and elsewhere. He also served under the Senator from Minnesota (Mr. HUMPHREY), while he was Vice President, as Executive Director of the President's Council on Equal Opportunity. In 1967, Mr. Branton became Executive Director of the United Planning Organization, the District of Columbia's antipoverty agency, and in 1969, he left public life for the private practice of law here in Washington.

At the time Mr. Branton's appointment as dean was announced, he was being actively considered for appointment to the Federal bench. It is a credit to him and to his spirit of public service that he has renounced this ambition and decided to devote his considerable talents and energies to legal education.

Mr. President, I know I speak for all of my fellow citizens of Arkansas in extending most cordial congratulations to Wiley Branton. His career at the bar and in public service is an enviable one, now about to enter upon a new and larger stage. I ask unanimous consent that a copy of an article from the Washington Post of Tuesday, December 6, 1977, de-

scribing Mr. Branton's new appointment, be printed in the RECORD.

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

ATTORNEY WILEY BRANTON: HOWARD NAMES NEW LAW DEAN

(By Joseph D. Whitaker)

Former civil rights lawyer Wiley A. Branton, who first gained national prominence representing blacks who attempted to integrate public schools in Little Rock, Ark., will become dean of the troubled Howard University Law School on Jan. 1.

Branton will be trying to rescue the 108-year-old law school that graduated more than half the nation's black lawyers—including Supreme Court Justice Thurgood Marshall, D.C. Mayor Walter E. Washington and Chief Judge William B. Bryant of the U.S. District Court here—and served as the legal think tank for the civil rights movement during the 1940s and 1950s.

The law school's reputation has declined sharply in recent years, however, and top black law students have gone elsewhere. The school's accreditation is now in jeopardy, its graduates have consistently performed poorly on the bar exam, and its faculty and administration have fallen to arguing over what needs to be done to restore the law school's effectiveness.

Branton, who ran both the federal Council on Equal Opportunity and Washington's local antipoverty agency before going into private law practice, will be the eighth dean of the Howard law school since 1960. But he said yesterday that he is ready for the challenge.

"At this point in my life, I felt I could be of some help to young people seeking legal careers," Branton, 54, said. "This is a job that needs to be done and I would like to do it."

As a condition for accepting the job, Branton said he asked for and received a commitment from the Howard administration to increase financial aid for students (half of whom must now work their way through school), to increase funds for the Law Review and to consider providing housing for married students.

Two months ago, Branton was one of five persons nominated for appointment to a federal judgeship, which ultimately went to Louis F. Oberdorfer. However Branton said he was a front-runner for appointment to two other vacancies on the federal branch.

"By accepting the job at Howard I have lost my chance to be a federal judge," Branton said yesterday. "But after considering all sides of the issue, I decided I could make a greater contribution to the legal profession as dean of the law school than as a judge."

The Howard University Law School was created by Congress in 1869 to provide a law school for blacks who were barred from white schools by legal segregation.

Over the years, the circumstances that give birth to a black law school have changed. At first, blacks who wanted to study law routinely went to Howard. As a result, classes often were composed of highly qualified students from high-income homes.

When schools were desegregated in the 1950s and 1960s the pool of talent from which Howard had traditionally drawn its students changed drastically.

Students who once would have gone to Howard increasingly began to enroll at such schools as Harvard, Yale and Georgetown where scholarships were plentiful and faculty and facilities more impressive.

Today, the Howard law school is composed largely of students who in many cases were not able to attend another law school for academic or financial reasons.

More than half the students at Howard work part time to pay their tuition and living expenses. The average student at Howard owes between $8,000 and $10,000 for education loans by the time he graduates.

"We do admit a lot of students—black and white—who may not have been able to get into another law school," said Charles T. Duncan, who resigned his deanship in August, but is still a professor at Howard law. "We have always had a mission to provide an opportunity for blacks to get a legal education."

"I'm not disturbed that some of our people, perhaps at the bottom of the class, do not have a competitive bar passage rate," Duncan said. "What does disturb me is when our top graduates are discriminated against simply because they graduated from Howard."

While most other law schools have standard criteria for admissions, Howard does not. Only since Duncan became dean of the school in 1974 have applicants been required to take the Law School Aptitude Test, which is used extensively at many other schools to weed out applicants.

"We've found that there's no perfect test to determine quality," said Henry Jones, a law professor and chairman of the Howard admissions committee.

"We do not base our admissions on one or two factors," he added. "The committee does not only look at academics, but we look at industry, integrity, diligence and the potential of students here," Jones said.

"Our students are not necessarily the sons and daughters of doctors, lawyers or the elite group, but we are certain that we have high-quality students here," Jones said.

Herbert O. Reid, 61, came to Howard as a law professor 31 years ago and today is the "Charles Hamilton Houston distinguished professor of law," the highest-ranking professorship at Howard. Houston was a brilliant civil rights lawyer who was dean of the law school in the 1930s.

Reid talks often about the "Houston tradition" and how the school in general is straying away from the high standards it was known for.

"When I was coming along, most young people thought that to be (teaching) at the Howard law school was the apex of a black man's legal career and could be topped only by an appointment to the U.S. Supreme Court," Reid said recently.

GOLDEN AGE RECALLED

Reid said the so-called "golden age" of the Howard law school was a relatively brief period in the 1940s and early 1950s when Marshall, Houston, Bryant, the late William Hastie researched and collaborated on civil rights cases in the halls and classrooms of Howard.

In the Houston tradition, lawyers in private practice worked with law professors and students to research and write briefs for major civil rights cases.

Many times, the cases were rehearsed in Howard law school classrooms several times before they reached the courtroom floor. Students were able to study the law, then put their knowledge to work immediately in a real court suit.

Reid said he tried to rekindle the Houston ideal earlier this year when he included students in the preparation of a friend-of-the-court brief he filed in U.S. Supreme Court on behalf of the Howard law school in the Bakke reverse discrimination case.

But Reid believes the standards of Houston have not been lost among many new members of the faculty. He points out that 20 of the 38 faculty members—many of whom graduated from Ivy League schools—were hired during the three years Duncan was dean.

"I feel threatened by a thinking and mentality that people come to Howard and feel they should be given something special because they graduated from Harvard," said Reid, who is himself a graduate of the Harvard law school.

"A lot of these younger teachers fail to realize they should be helping the tradition," Reid said.

After schools were desegregated, Reid said, Howard lost sight of its mission. "Howard thought it had a new mission to be another Harvard or Yale," said Reid. "We almost forgot about our role as a watchdog over social policy to point out inequities."

"MISSION" DESCRIBED

Reid believes the Howard law school still has a twofold mission: to train and develop a cadre of legal engineers to bring about equality for blacks through the legal process and to provide an opportunity for disadvantaged blacks to study law.

"But when you're talking about education for disadvantaged people, you're essentially talking about compensatory education and financial aid," Reid said.

Last year Phyllis Pratt, the daughter of a low-income Louisiana couple, received $1,200 in financial aid to help pay her tuition during her first year at the Howard law school.

This year Pratt, 27, expected her financial aid to be renewed. But she was told at the beginning of the school year that "funds were insufficient" and she may not get any financial assistance this year.

To pay her living expenses and her academic bills, Pratt works part-time as a research assistant at a local law firm. But while she earns enough to keep herself in school, her working has a negative effect on her academic performance.

When first-year law students at other schools were grappling with their first law courses, Pratt, in addition to the academics, was puzzling over her new part-time job as a research assistant at a local law firm.

She earned a C grade average during her first year and, like many of her classmates who also work, Pratt said she became caught up "in a kind of paranoia" about whether she would pass the bar examination at the end of law school.

Between 1970 and 1975, graduates of the Howard University Law School who took bar examinations in 40 states compiled a national average passage rate of about 61 per cent, according to the school's own study of bar results.

In the Washington area, only 25 per cent of the Howard graduates taking the bar passed, the study shows. The passage rate in District of Columbia was 45 per cent; 23 per cent passed in Maryland; and in Virginia, only 18 per cent passed the bar.

CONGRESSIONAL QUERY

At Congressional hearings on the Howard University budget in recent years, legislators have asked Howard University President James E. Cheek to explain why Howard law graduates perform so poorly on bar examinations.

Although Cheek maintained that part of the problem is "related to quality," he said it is difficult to know exactly what is responsible for the relatively low number of Howard gradautes who pass the bar.

But Howard graduates are not the only graduates having troubles with bar examinations, according to Victor Goode, associate director of the National Conference of Black Lawyers in New York.

"It is true that black law graduates in general don't seem to be faring on bar exams as their white counterparts," said Goode. He said no one so far has been able to clearly identify why black graduates of law schools as disparate as Harvard, Howard and Texas Southern seem to have problems passing the bar.

At Howard, which has traditionally pro-

duced more black lawyers than any other school in the world, there are numerous theories of why graduates of the historic institution have scored poorly on many bar examinations across the country.

According to one professor, Howard students do not score well because Howard is a "national" law school, concerned primarily with national policies and laws when state bar examinations very often dwell heavily on local, jurisdictional law.

Many blacks who have taken and failed various bar examinations nationwide have filed suits claiming that the exams are discriminatory and weighted against blacks.

In a recent discrimination suit filed against the D.C. Committee on Admissions in the D.C. Court of Appeals, a three-judge panel ruled that they found no evidence of discrimination in the D.C. bar exam.

Branton said he believes bar examinations are generally weighted against black law graduates.

"Few questions on the bar examination have any thing to do with a person's fitness to practice law," he said. "Questions very often call for one to draw on a certain kind of cultural background which many blacks do not have."

Branton said that one way to improve the school's bar passage rate would be to set higher standards of admission. "But with higher standards of admission, we may just exclude many of the people Howard is here to serve—people who have potential, but would have trouble getting into other law schools," he said.

Branton, a native of Pine Bluff, Ark., and the third black to attend the University of Arkansas Law school, made national headlines in 1957 as the chief counsel for the National Association for the Advancement of Colored People in the fight for school desegregaton in Little Rock.

In the late 1950s and early 1960s he held other legal posts in the civil rights movement. Branton was hired in 1965 by then Vice President Hubert H. Humphrey as executive director of the President's Council on Equal Opportunity.

In 1967 Branton became executive director of the United Planning Organization, the District's antipoverty agency, a position in which he frequently found himself attacked and criticized by local community leaders.

Branton left public life in 1969 and joined the prestigious black law firm of Dolphin, Branton, Stafford and Webber, which later was dissolved and Branton continued in private practice.

ANNIVERSARY OF THE ATTACK ON PEARL HARBOR

Mr. DOLE. Mr. President, today we observe the 36th anniversary of the Japanese attack on the American naval base at Pearl Harbor. That event, of course, marked the entry of the United States into the Second World War—a conflict which was to cost the lives of over 400,000 Americans, with another 700,000 wounded. It is, as always, appropriate on this day to honor all those who served this country during that war, and particularly those who made the supreme sacrifice.

A LESSON AND A LEGACY

I believe that Pearl Harbor taught this Nation a great lesson: That America cannot isolate herself from the trials and tribulations that affect the rest of the world. And Pearl Harbor left a legacy as well: This Nation, when challenged by aggression from abroad, will not retreat. For retreat in the face of adversity only invites further aggression.

The Second World War did not eliminate international aggresssion from the face of the Earth. Today, the challenges are of a different nature and from different sources, but they are there nonetheless. Threats to peace and political stability are much in evidence today on the African Continent, in the Middle East, and in the Asian and Pacific region.

What disturbes many of us today is the very real prospect that, for the first time in our Nation's history, we may recoil in the face of adversity or compromise the national interest for the sake of temporary tranquility. It is the withdrawal of U.S. forces from South Korea, the reassessment of our NATO defense strategy in Western Europe, and the apparent compromise of basic principles in Asia, Africa, and elsewhere which stir the passions of thoughtful Americans today. And it is the trend of submission on the part of our own Nation in recent months which raises legitimate questions about the fate of the free world for the future.

America was not the only nation that learned a lesson from Pearl Harbor. It has stood as a lesson to all would be antagonists during the succeeding four decades as well. Let us hope that the costly lesson will not be "unlearned" due to mistakes in strategy and policy on our part.

If the lesson and the legacy of Pearl Harbor are not to be lost to history, then it is certain that we must remain constantly aware of their relevance to the challenges we face today.

TRIBUTE TO DR. LAURENCE WOODWORTH

Mr. ROBERT C. BYRD. Mr. President, it was with sadness today that I learned of the death of Dr. Laurence Woodworth, Assistant Secretary of the Treasury for Tax Policy. Because of the many years of dedicated service of Dr. Woodworth as staff director of the Joint Committee on Taxation, I know that practically every member of this body knew him personally and held him in the highest respect and esteem. He was the Nation's taxation expert and was not only a man of great knowledge and ability, but of absolute integrity. The country has lost an outstanding citizen and public servant.

I know my colleagues would wish to join me in expressing the condolences of the Senate to Mrs. Woodworth and to the other members of his family.

THE AMERICAN STEEL INDUSTRY: A PLAN FOR BOTH JOBS AND A CLEAN ENVIRONMENT

Mr. HEINZ. Mr. President, one part of the administration's steel plan deals with helping the industry solve its pollution control problems. Unfortunately, this part of the plan appears to be the weakest. Few substantive recommendations were made, and any relevant tax incentive proposals were delayed until the presentation of the President's tax reform plan early next year.

With respect to that plan, one alternative continues to gain public support, and, in fact, the President himself has already expressed support for it. I refer to the idea of allowing companies to deduct their pollution control capital expenditures as current expenses in the year they are made, rather than require their amortization over a longer period of time.

The arguments for this proposal have been made frequently over the past year, and a number of administration officials have expressed interest in it. On December 6 Senators RANDOLPH, PERCY, DANFORTH, ALLEN, and I wrote the President reminding him of his expression of support for expensing pollution control equipment and urging him to include such a provision in his tax program. This letter may be of interest to the Senate, and I ask unanimous consent that its text be printed in the RECORD.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS,
Washington, D.C., December 6, 1977.

The PRESIDENT,
The White House,
Washington, D.C.

DEAR MR. PRESIDENT: When you met at the White House with members of the Senate and House Steel Caucuses on October 27th, you expressed support for proposals to permit same year amortization of pollution control equipment.

We are writing at this time to remind you of that commitment and to urge that this proposal be included in the tax reform plan to be sent to Congress early next year.

Rapid amortization of pollution control equipment has broader application than the steel industry, the context in which we discussed it with you, but it is particularly relevant to steel because of that industry's extensive and continuing pollution problems.

Recent data indicate that the steel industry spent $500 million in 1976 for pollution control facilities, and more importantly, that this figure will certainly increase over the next several years as stricter standards have to be met.

This investment is not "productive" in the classic sense of investment that contributes to improvements or increases in production or reduction in product costs, etc. While investment in pollution control facilities helps create cleaner factories and neighborhoods and in some cases cleaner products, it does not, in the strictest sense, contribute to the economic growth of the companies installing it. These are not investments that earn a return for the investor. On the contrary, in addition to the capital cost of installation, such facilities usually cost a considerable amount to operate and maintain, and it goes without saying that the billions invested in pollution control are not available for other job creating investments.

Our efforts to clean up industry will be more successful, more quickly accomplished, and ultimately more consistent with economic growth if we provide appropriate incentives to industry to install pollution control equipment promptly and effectively. Of course, our environmental laws mandate compliance, and compliance will occur. Since the federal government is imposing the burden, however, and all the taxpayers share in the benefits, it is appropriate that we absorb some of the cost more directly and more equitably than through higher consumer prices.

Although there have been numerous proposals that would provide some support for

these expenditures, it is our view that the tax approach is the best one. As a matter of principle the government should provide for fair tax treatment of the heavy expenditures it has mandated. And, as opposed to capitalization (and treatment through depreciation or amortization), treatment as a current expense for pollution control investments would be the fairest, quickest, and most effective means of achieving that objective. The Senate energy tax bill affirms this principle in its provision allowing tax credits for a variety of energy conversion (and attendant pollution control) equipment, much of which will be installed pursuant to federal law or order.

We were pleased to hear your expressed support for this proposal in our previous discussion, and we hope to see that support manifest itself in your tax reform proposals.

H. JOHN HEINZ III,
JAMES B. ALLEN,
JENNINGS RANDOLPH,
JOHN C. DANFORTH,
CHARLES H. PERCY,
U.S. Senators.

"A PRAYER FOR A NEW BRIDGE" CELEBRATES THE STRENGTH OF MEN AND MOUNTAINS

Mr. RANDOLPH. Mr. President, on May 13, 1976, it was my privilege to participate in a ceremony marking the closing of the steel arch spanning the New River Gorge in Fayette County, W. Va.

As part of the program, the invocation was given by the Rev. Billy Reed Wickline of the Fayetteville United Methodist Church. His rolling words about the majesty and awe-inspiring setting of the world's longest steel arch bridge provided an almost transcendental experience for the thousands gathered for the occasion. For example:

> Thou hast arched the Heavens above us and enriched the Earth beneath us and allowed the trees of the forests to clap their hands and the hills to break forth into singing.

Perhaps there is little about a bridge to inspire the average person. But to some, as Pastor Wickline, the steel arch soaring 876 feet above the beautiful New River Canyon evokes a poetic paean to God. I felt his words so deeply that they are shared now with my colleagues and the readers of the RECORD.

The bridge was formally dedicated on October 22, 1977. The 3,030-foot long roadway was opened to traffic after speakers praised the marvelous engineering triumph, which created this magnificent span over the world's second oldest river, next to the Nile.

Rev. Billy Reed Wickline, raised his voice to the heavens with words that mirrored the feelings of the vast assemblage. It was a truly memorable attestation to "an altar in the sky," an affirmation of humility of God's glorious creations, the mountains and the forests surrounding this splendid manmade structure.

I ask unanimous consent that Reverend Wickline's invocation, "A Prayer for a New Bridge," be printed in the RECORD.

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

A PRAYER FOR A NEW BRIDGE

(By Rev. Billy Reed Wickline)

O Almighty God, praise be unto Thee from the heights, for this glorious day as we consider the heavens, the works of Thy fingers and hear the sculptured mountains and everlasting hills break forth into singing, and the trees in the forest of gold, crimson and scarlet clap their hands in adoration and exultation. Open now our hearts to the joy and beauty that surrounds us and the occasion called forth in celebration.

We thank Thee, O God, for this bridge, founded upon the sheer ledges of gaunt rocks, arching the stalwart oaks, towering pines and white waters, raised above the earth that the winds may chant in her beams and trusses Thy creative skill. Standing beside her massive structure, she appears as a rainbow of promised prosperity and progress; downward from the sky above, it appears as a gigantic steel band, vicing and clamping the mountains together, embracing the people and communities as a family of one household. To view her from the earth beneath, the bridge spans the gorge like an altar in the sky; but to stand upon it is to be upon holy ground and humbly viewed as an instrument of service, a gift and tribute of God's favor and man's genius.

We bow in awe and reverence before Thee for this abounding life and invoke Thy blessings upon those who prophesied this projection; those who have labored and witnessed its construction and now all who will enjoy its convenience and service. Gracious Father, continue to pour forth Thy favor upon all whose dream is this day fulfilled and whose work has ended. We give thanks unto Thee for the artists, architects and engineers for the drafting of their dream, laying the plans, and for all laborers who readied the ledges, forged the steel, mixed the mortar, poured the foundations, welded and riveted the joints; for those who walked the girders in confidence and others who have taken the risks and suffered the abuse when schedules were interrupted; for those families who have ached in separation and loneliness. We thank Thee, Our Father, for those persons who have given their homesteads and sacrificed what to them was sacred, for this greater shrine. We remember this day those who were thrilled by its promise but have not lived to celebrate its completion. Look upon any injured in the process and comfort those left, of the life which was lost. We beseech Thy grace upon the yet unborn who shall receive this gift as an inheritance for their generation in ministry to their need.

Forbid that any among us shall be so heedless and unseeing so as to be without gratitude and thanksgiving, but guard us from viewing this accomplishment to make of it a tower of Babel; instead, let it be the travelers' temple, a symbol of the spirit of cooperation and concord where each man's labor and every man's task is the offering of his skill with dedication to fulfill his calling and the extending of his life, to bridge nature's barrier and every human rift.

Our Father, grant, we beseech Thee, an unfaltering return to our homes and reward our days with the strength to work without weariness or complaint. Equip us with thankful enthusiasm for this day and the future before us, that our spirit shall be continuous praise, through Jesus Christ our Lord. Amen.

ABORTION FUNDING STATEMENT

Mr. DOLE. Mr. President. The adversary process, institutionalized in our legal system and Government, has perhaps never been so thoroughly tested as it has during the lengthy debate over Federal funding of abortions. Today, after 6 months of debate, compromise language releasing over $60 billion in funding for human services programs has been forged. Although many have complained that this day has been too long in coming, I feel that the realization of a House-Senate consensus on the proper Federal role in preserving the sacred right to life of the unborn has been worth every minute, day, week, and month it took.

Throughout the numerous debates on the "medicaid abortion" issue, we have brought forth every conceivable factor relating to abortion and its place—or lack of it—in our society. Every Member of the House and Senate has had the opportunity to consider the issues raised. The key to success in the adversary process is compromise. Without compromise and without the recognition that one side's viewpoint may have as many valid bases as the other's, a democracy would wither in its own indecision. It was in the spirit of compromise that, last week, I lent my support to what I consider a reasonable position, one nearly identical to that adopted by voice vote in the Senate today.

In a compromise, each side loses something. Longstanding opponents of any abortion lost. The majority of my colleagues in the Senate, who have consistently advocated much weaker anti-abortion funding language, also lost. But all gained too, and that is what compromise is all about. It will no longer be possible for the Federal Government to underwrite as large number of abortions as it has in the past. At the same time, victims of rape or incest or women who might suffer serious and long term damage to their health will be able to obtain federally financed abortions.

I feel it is important to emphasize that my position on this particular bill in no way indicates any lessened sense of the sanctity of life on my part. Individuals familiar with my voting record on the abortion issue know that I respect all life—be it born or unborn. I would certainly hope that my vote will not be misinterpreted to the point that doubt is cast upon the sincerity of my feelings on this matter.

At the point, Mr. President, I ask unanimous consent that a letter sent to me by Vincent DeCoursey—executive director of the Kansas Catholic Conference—be printed in the RECORD.

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

KANSAS CATHOLIC CONFERENCE,
Kansas City, Kans., December 2, 1977.

Senator BOB DOLE,
Dirksen Senate Office Building,
Washington, D.C.

DEAR BOB: Quite frankly I was astounded when I read of your vote on the Senate language proposed to be enacted as a replacement for the Hyde Amendment to the Labor-HEW Appropriations Bill. Yours has always been a strong voice in support of life for the unborn, and this switch quite frankly is hard to relate to your past history in voting pro-life.

The so-called "new" language as proposed in the Senate bill, as you unquestionably know, is totally cosmetic and did nothing to

change the substance of the original language as proposed by Senator Brooke.

I am more than anxious to hear from you as to your intentions on future votes on this subject. As you unquestionably know, the movement to reverse the United States Supreme Court decision of January 1973 is gaining strength almost daily and as more and more people become aware of the facts relative to abortion the conviction grows that of necessity this country must change its position by reversing the Supreme Court's monstrous decision.

Please let me know of your intentions and, hopefully, of your continued support for life and your opposition to abortion.

Sincerely,

KANSAS CATHOLIC CONFERENCE,
VINCENT DECOURSEY,
Executive Director.

Mr. DOLE. Mr. DeCoursey, a highly-respected and effective advocate for individuals who wish to protect life, raises some valid points in his letter; and I want to assure him and others who have expressed concern about a possible shift in my position that I will continue—as I have done in the past—to safeguard the right to life and to curb the attitude that living beings may be discarded with as little thought as that given to tossing old clothes.

RECESS UNTIL 2 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until 2 p.m. today.

There being no objection, the Senate, at 12:14, recessed until 2 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. SASSER).

QUORUM CALL

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

RECESS SUBJECT TO THE CALL OF THE CHAIR

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess awaiting the call of the Chair.

There being no objection, at 2:05 p.m., the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 2:59 p.m., when called to order by the presiding officer (Mr. ROBERT C. BYRD).

RECESS UNTIL 4 P.M. TODAY

The PRESIDING OFFICER. Without objection, the Senate will stand in recess until 4 p.m. today.

At 2:59 the Senate recessed until 4 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer (Mr. HATHAWAY).

RECESS UNTIL 5 P.M.

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that the Senate stand in recess until the hour of 5 p.m. today.

There being no objection, the Senate, at 4 p.m., recessed until 5 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer (Mr. STONE).

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.

NATIONAL EMERGENCY WAR POWERS

Mr. ROBERT C. BYRD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 7738.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendments of the Senate numbered 2, 4, 5, 6, and 7 to the bill (H.R. 7738) entitled "An Act with respect to the powers of the President in time of war or national emergency."

Resolved, That the House agree to the amendment of the Senate numbered 1 to the aforesaid bill with the following amendment:

Page 1, line 3, of the Senate engrossed amendments, strike out "supercede" and insert: *supersede*

Resolved, That the House agree to the amendment of the Senate numbered 3 to the aforesaid bill with the following amendments:

1 Page 1, line 11, of the Senate engrossed amendments, strike out "including" and insert: *such as*

2 Page 1, line 12, of the Senate engrossed amendments, strike out "solely"

3 Page 2, line 2, of the Senate engrossed amendments, strike out "authority" and insert: *ability*

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate to H.R. 7738.

The motion was agreed to.

MARK CHARLES MIEIR AND LIANE MARIA MIEIR

Mr. ROBERT C. BYRD. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 3313.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendment of the Senate to the bill (H.R. 3313) entitled "An Act for the relief of Mark Charles Mieir and Liane Maria Mieir", with the following amendment:

Line 6, of the Senate engrossed amendment, strike out "United States." and insert: United States: *Provided,* That the natural parents or brothers or sisters of the beneficiaries shall not, by virtue of such relationship, be accorded any right, privilege, or status under the Immigration and Nationality Act.

Mr. ROBERT C. BYRD. Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate to H.R. 3313.

The motion was agreed to.

FURTHER CONTINUING APPROPRIATIONS, 1978

Mr. MAGNUSON. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on House Joint Resolution 662.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House agree to the amendment of the Senate numbered 1 to the resolution (H.J. Res. 662) entitled "Joint resolution making further continuing appropriations for the fiscal year 1978, and for other purposes."

Resolved, That the House agree to the amendment of the Senate numbered 2 to the aforesaid resolution with the following:

AMENDMENT

In lieu of the matter proposed by said amendment, insert:

Provided, That none of the funds provided for in this paragraph shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term; or except for such medical procedures necessary for the victims of rape or incest, when such rape or incest has been reported promptly to a law enforcement agency or public health service; or except in those instances where severe and long-lasting physical health damage to the mother would result if the pregnancy were carried to term when so determined by two physicians.

Nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of an ectopic pregnancy.

The Secretary shall promptly issue regulations and establish procedures to insure that the provisions of this section are rigorously enforced.

Mr. MAGNUSON. Mr. President, before I move, reluctantly, to concur in the House amendment, I want to say that the Senator from Massachusetts and I, and many of us in the committee, have struggled a long time with this problem. We have deep respect for the views of people on the other side. As a matter of fact, Mr. President, there was no black or white on this thing. There were a lot of grays. It is just a question of how far you should go.

I think that we in the Senate, as the bottom line on this very emotional matter, looked at things with one thing in mind: What is the most humane thing to do? What will be in the best interest of a lot of people that have personal, serious problems, legitimate problems, and what can we do to help solve a situation that has been in and out of the courts, in settling the argument over whether the States should handle it or the National Government?

We have done the best we know how. There has not been any particular compromise as such. It is pretty hard to compromise emotional matters. It is pretty

hard to compromise between people who believe strongly on one side and people who believe strongly on the other side. But I think there is a possibility, always, of finding what is the best way for all of us—all, not just the extremists on both sides. I think that is what the Senator from Massachusetts and I have been trying to do, the best we know how.

The House, because of legislative procedures, at times put us in embarrassing positions. I just do not know why. Everybody knew that tomorrow night, there are, literally, almost a half million people who will be looking for their Christmas paychecks. They knew that. But I discount that. I am charitable, as we tried to be charitable about this issue, to think that they felt so keenly about it that they kept voting the way they did.

We voted over and over. Last night, I said, we had voted 18 times. I want to correct the RECORD. We voted 16 times on this measure, and probably 18 on portions of it that were indirectly related to the measure.

I have said many, many times, as sort of a voice in the wilderness, that this does not belong on the HEW bill. It is legislation of the rawest nature on an appropriations—money—bill. I said that I was going to introduce, and I intend to, as soon as Congress convenes on January 19, some four or maybe five bills which will take every aspect of this problem, and have them referred to the proper committee in the Senate, so that we can have a national policy on the question of abortion. I am sure that my friend from Massachusetts joins me in that, so that we can go on with the business that we have. I hope the Parliamentarian is listening to me; I know he is.

I do not suggest what the proper committee will be, but I have an idea that it might go to two specific committees. One is the Human Resources Committee, which has promised, over and over again, to myself and the members of my subcommittee, that they would hold hearings on this matter.

This is an amazing thing. Here we are, passing on a piece of major legislation, on which neither the House nor the Senate committees heard one single witness. We have no figures, we have no facts, we have no medical testimony; we did not hear a single witness on a matter of this grave importance. It is high time that the Human Resources Committee or the Government Operations Committee consider it.

I do know one committee that might well take it on. It might belong in the Committee on Finance of the Senate, because it deals with payment of money under medicaid.

What would come out of the Finance Committee of the United States I shall leave to you. But it does not belong on an HEW appropriation bill. So I am going to introduce those bills. They are going to take up all sides and shades within the two extremes of this particular problem, and next year, when they come to the Appropriations Committee with some of these amendments, I am going to say, "Why don't you go and testify to the proper committee and have them establish some kind of national policy on this matter?"

Now, having said that, as I say reluctantly, I hope we can agree and concur in the amendment, that was sent over by the House. For the record, I understand the House voted 181 to 166 for this particular language. Over there, it has been a question, sometimes, of 10 votes one way or 20 votes the other. There has never been a very large margin back and forth on how House Members felt about this matter; whereas, in the Senate, it was always a matter of voting 2 to 1 against. So I think we have been about as generous as we can be.

I suppose that I might be criticized by some people in suggesting that we have been too generous. But we have done the best that we know how. I am hoping that maybe this matter can be sent to the proper committee of the U.S. Senate, before we start next year's appropriations process. Then, possibly, we will be on the road to finally resolving this emotional issue.

I am sure that all Senators have been torn by this matter. It is an agonizing thing. I think about it all the time. When the Senator from Massachusetts and I talk to each other, we do not even ask, "How is the weather in Boston?" or, "How is the weather in Seattle?" We say, "What is going on with respect to abortion?" We do not even ask each other, "How are you feeling?"

This has been going on and on. I hope this will be the conclusion of this and we can get on to what is the real responsibility of the Appropriations Committee and HEW.

This bill involves millions of schoolchildren, millions of people who are dependent upon medical research at NIH, millions of people under medicaid and medicare. Hundreds of thousands of people are involved in social security. All these things we had to weigh in the balance.

I must confess that I do not like this; but I do not know, at this hour, just what we can do except concur with the House. But we have come a long way from what we did with respect to last year, so far as we are concerned. I think we have made some progress in this matter. Therefore, I am going to move at the proper time that the Senate concur with the House amendment.

With the passage of this bill through September 30, I want to make it very clear to the departments and programs which this bill affects that they should every closely follow the Senate and conference reports when allocating these funds for fiscal year 1978.

This is the exact same levels of funding, and the conference report, which the House and Senate have already agreed to following our conferences.

It is the exact same bill as the regular bill—it just has a different name.

I yield to the Senator from Massachusetts.

Mr. BROOKE. Mr. President, I concur with everything that the distinguished chairman has said. I commend him for his able leadership during the many long months we have had this issue before the Appropriations Committee and before the Congress of the United States.

I also commend Terry Lierman, the majority staff director, and Gar Kaganowich, the minority staff director, and others who have worked diligently and efficiently on this important legislation.

Mr. President, I point out for the record that this is not just a continuing resolution now, as I am sure the President well understands. This is the bill itself. This is finally the Labor-HEW bill of more than $60 billion, with all the money for Health, Education, and Welfare, and money for Labor as well, and the many programs that are involved.

There will be no necessity now for Congress to act upon the bill itself, because the continuing resolution that has been passed by the House and sent to the Senate—which I hope we will pass soon—will be, in effect, the Labor-HEW appropriations bill for 1978. So we are here dealing with that appropriation itself.

Mr. President, I shall read the language, as I understand it, and I will point out certain changes that have been made. The amendment which was offered last evening by the distinguished Senator from Washington (Mr. MAGNUSON), and which the Senate adopted by a voice vote and sent to the House of Representatives, reads as follows:

On page 2 beginning on, line 15, strike the following: "as modified by the House of Representatives on August 2, 1977"; on page 2, after line 17, insert the following:

Provided, however, that none of the funds provided for in this paragraph shall be used to perform abortions: except where the life of the mother would be endangered if the fetus were carried to term; or except for such medical procedures necessary for the victims of rape or incest, when such rape or incest has been reported promptly to a law enforcement agency or public health service; or except in those instances where severe and long-lasting physical health damage to the mother would result if the pregnancy were carried to term.

Nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of an ectopic pregnancy.

The Secretary shall promptly issue regulations and establish procedures to ensure that the provisions of this section are rigorously enforced.

Mr. President, the House acted upon that language this morning and rejected it. They held the bill at the desk, and there were many consultations back and forth. Finally, a proposal was made that the House would include only—and I say only—one change in the language as sent by the Senate to the House. That one change is this: The words were "when so determined by two physicians." So that section would read: "or except in those instances where severe and long-lasting physcial health damage to the mother would result if the pregnancy were carried to term, when so determined by two physicians."

It is my understanding that the debate and the vote in the House were based upon those additional words, and those additional words only. As I now read the language that came back from the House to the Senate, and which we are now acting upon, I see an additional

change. I do not know whether it was due to inadvertence or whether it was deliberate. The change I refer to is contained at the end of the first phrase: *"Provided, however,* that none of the funds provided for in this paragraph shall be used to perform abortions"—and there is no colon.

Mr. President, one might wonder why I raise this question. We have been back and forth with the House on many occasions with respect to one word and now with respect to punctuation marks.

I want to make it crystal clear, and I want to make it certain for the record, as to what was intended by the Senate and, as I understand, what was intended by the House by their vote—because no other change was referred to in that debate—is that we are talking about medical procedures being abortions.

There is no doubt in my mind that medical procedures are abortions, and when that colon was placed in there and it went on after "abortions," the antecedent, of course, would have been "abortions." I do not say that even the deletion of the colon means anything. I do not know. It might have been a question of interpretation. As I said, it might have been due to inadvertence. It also might have been done deliberately. It might have been done by a clerk. I do not know why it was done or how it was done.

However, I want the record to show clearly that we are talking about abortions when we talk about medical procedures, where we are concerned with the victims of rape or incest. We are not talking about D. & C.'s or anything of those things. We are saying that where a woman has been a victim of rape or incest, and it has been reported promptly to a law enforcement agency or to a public health service, that woman is entitled to medicaid funds for an abortion. That is what "medical procedures means, whether that colon is in or out.

I think it only fair to report this to the Senate, and, by reporting it to the Senate, also reporting it to the House; because, as I say, it was not a question of debate nor was it a question upon which the Members of the House were called upon to vote.

Mr. President, I am not going to review tonight the long history to which the distinguished chairman has referred. It weighs heavily upon us all. He is absolutely right: We have been able to talk about little else than abortions with respect to this bill for a long time.

It is not only an emotional issue. To some, it is a religious issue; to others, it is a moral issue; to others, it is a political issue; to some it is all those.

I understand and I respect the differences. I understand the diversity. I understand the reasons why many of our colleagues in the Senate and in the House have felt so strongly about this issue.

But I do want to make clear what we are talking about, Mr. President, when we discuss this language that apparently will now end up as the compromise language between the Senate and the House of Representatives.

First of all, the new language is "when so determined by two physicians." I think, Mr. President, that this language has no rational connection at all with the patient's needs. I think it unduly infringes upon her physician's right to practice medicine. And I think it violates the equal protection clause of the Constitution of the United States. As an attorney and as a former attorney general of the Commonwealth of Massachusetts I do not like to predict what the Supreme Court of the United States will do, but I think the courts will declare that this is unconstitutional.

There is no justification under the equal protection clause for giving all other medicaid patients the right to have medicaid funds paid for a particular injury or illness after consulting with one physician, and requiring medicaid patients who require an abortion to consult with two physicians. That to me is unconstitutional. It is discrimination. And I think the courts will so declare it.

If they do, it would only apply to that language "when so determined by two physicians." There is no question at all about the constitutionality of the rest of the language. But there is a serious question, and I repeat, a serious question, as to the constitutionality of the new language that has been added by the House of Representatives.

Then, Mr. President, what does this new language mean? Does it mean that a woman is restricted to two physicians?

Can she only go to two physicians and consult with them before and have both of them agree that she needs an abortion, because she would have a severe and long-lasting physical health injury resulting? I think the answer is obviously clearly no. I think she can go to more physicians. I think that there must be the "reasonably necessary" test as well. She could go to three or more physicians, and I think it is equally clear that medicaid funds could be used to pay for those. I want to enter into a colloquy subsequently with my distinguished chairman on some of these points.

Then, Mr. President, no one should dictate to the woman what doctor she should see. It should be a doctor of her own choosing, not one dictated by any health service or by any law enforcement agency but by the woman herself. She should have that freedom of choice in determining what physician she wants to consult with. And medicaid unquestionably and clearly will have to pay, Mr. President, for the consultations and the accompanying examinations and tests.

But I want to make it clear also, Mr. President, that that provision "when so determined by two physicians" applies only to those "instances where severe and long-lasting physical health damage to the mother would result if the pregnancy were carried to term" and not to any previous language contained in this abortion language.

I think that is a question that we should clarify now, because it could raise some problems with us subsequently.

Mr. President, the section pertaining to severe and long-lasting physical health damage to the mother is, of course, a new section. We did not have that under existing law. The law will be changed. It will be changed substantively and substantially as well.

And we do not have a provision covering rape and incest in the present law. We had it in the report language but not in the bill itself.

So, there are major changes now as to what poor, indigent women would be eligible for medicaid abortions. If the woman is a victim of rape or incest, she is eligible under the conditions of the reporting provision. If severe and long-lasting physical damage to the mother would result if that pregnancy were carried to term when determined by two physicians, two out of three, two out of four, two out of five—I do not know—then, of course, she would be entitled to a medicaid abortion.

So these are the two changes. There is no change so far as the life of the mother is concerned or the drugs or devices. And, of course, the only other change is that the Secretary shall promptly issue regulations and rigorously enforce them. Of course, we understand that that has always been the rule anyway, so there is no problem with that.

Mr. President, if agreeable to the distinguished chairman I wish to ask certain questions of him at this time to further clarify the language. I shall direct several questions to Mr. MAGNUSON because I believe it is vital that we make clear the legislative intent of the provisions we are acting upon, and I think this is particularly necessary since HEW has refused to give us any interpretation in advance. We asked for that interpretation but they would not give it and, of course, that is within their rights. Since they have not given us any interpretation, I think we should clarify for them what the legislative intent is.

We have been advised by the department that they are looking to us to tell them the intent of the language we are recommending, and we are to be as precise as we can, so that no doubt is left in Mr. Califano's mind as to what we intend. And we expect our intent, Mr. President, to be carried out in the regulations that the Secretary will issue, because the Secretary will issue regulations on this language. And we want to be sure that the Secretary is well-informed of the intent of Congress.

The language makes an exception for providing "medical procedures" necessary for the victims of rape or incest. As I said, it is our intention that "medical procedures necessary" not be viewed as a limitation on the length of time during which medical assistance shall be available. We fully intend "medical procedures" to include, again, abortions. So long as the rape or incest has been reported to a law enforcement agency or to a public health service, the woman is clearly eligible for a publicly funded abortion.

Am I correct about our intent, that "medical procedures" do include abortion? Is that the chairman's understanding?

Mr. MAGNUSON. That is correct. I think we should make it clear to the Secretary, Mr. Califano, that we mean that a woman who is a victim of rape or incest may have an abortion as long as she re-

ports the incident, and he should issue regulations not necessarily timewise but regulations that will carry out that intent.

Second, I say to the Senator from Massachusetts, that I am very pleased with the part of the language that the House of Representatives sent us regarding long-term serious damage. We never had that before. But I think this is one of the most important provisions in the whole bill.

Mr. BROOKE. The health provision?

Mr. MAGNUSON. The health provision.

Mr. BROOKE. I think that is very appropriate, yes.

Mr. MAGNUSON. There is one matter which is very important that might go on for years and years; it is too bad we did not get the fetus in there, too.

Mr. BROOKE. I agree.

Mr. MAGNUSON. Because the medical profession today can tell along the way whether the child is going to be born hopelessly crippled or mentally retarded, and I am hopeful that when the legislative committee—I repeat that—the legislative committee starts to establish a national policy they will consider this, too. I see the distinguished Senator from New York here who serves on that committee. We were unable to get the House to even talk about genetic diseases of the fetus, and I understand there are some 2,000 of them listed in medical dictionaries.

Mr. BROOKE. That is correct.

Mr. MAGNUSON. When the authorizing committees get to this—which you are going to do, we have to see to it that those bills are properly referred—and the Parliamentarian nods his head and he says that is correct—that you pay attention to this because this is one of the things the Senator from Massachusetts and I have been thinking about for a long time. This is the humane bottom line of the whole bill when you get down to it.

Mr. BROOKE. Mr. President, if the Senator would yield, I wish I could be as optimistic about this matter as my distinguished chairman is.

Mr. MAGNUSON. I am not optimistic, but I caught him here and I wanted to remind him.

Mr. BROOKE. I think the legislative committee ought to be challenged. But, as I said, I am not as optimistic, because if we have a Labor-HEW appropriation bill—and we will have next year, and the Parliamentarian is also smiling about this—if they come in with that language "none of the funds shall be used in this bill except for" we are faced with the same old problem again.

I am thinking if we do not get some action on the part of the legislative committee we are going to have to conduct hearings ourselves to determine what the problems involved are.

We did not have any hearings on the question of rape or incest or the fetus or anything else.

Mr. MAGNUSON. I want to suggest to the Senator from Massachusetts that there are not many experts on this problem, but I have listened to so much of it informally on both sides that while I do not consider myself necessarily an expert in making a decision on abortion, I am sure I have heard every side of the question——

Mr. BROOKE. I am sure.

Mr. MAGNUSON (continuing). Back and forth.

Mr. BROOKE. We did not have any statistical data at all, as the chairman knows.

Mr. MAGNUSON. We did not have any of that.

Mr. BROOKE. None of that at all, which we needed very clearly.

I just want to reiterate, though the chairman did respond relative to the reporting of the rape or incest, that I want to make it clear, as clear as we can possibly make it, that when we use the language "medical procedures" we are referring to abortions; is that correct?

Mr. MAGNUSON. That is correct. I think that is what we mean; I am sure the House people understand that is what we mean. "Medical procedures" are abortion procedures.

Mr. BROOKE. And that should be distinguished——

Mr. MAGNUSON. To stop the fetus from becoming—stop from having a child being born under circumstances which some people think they should not be born.

Mr. BROOKE. I think that is even more clear when we consider the fact that the House wanted to put in the word "treatment," as the chairman will remember.

Mr. MAGNUSON. Yes, that is right.

Mr. BROOKE. When they referred to "treatment" they really were referring to a D and C because they wanted a woman to have a D and C prior to the determination of pregnancy.

Mr. MAGNUSON. Let me say this: It is our understanding that a D and C covers, if you want to use a literal interpretation of the term, abortion; would that be correct?

Mr. BROOKE. Well, the D and C, with what they were hoping at one time we would accept—which we did not accept, thank God—is that a woman could get a D and C prior to the determination of pregnancy, meaning the woman would have to get a D and C even if she did not need a D and C. But we are not talking about a D and C.

Mr. MAGNUSON. But if abortion follows that examination that is allowed.

Mr. BROOKE. What we are talking about here is a medical procedure——

Mr. MAGNUSON. Is the whole thing.

Mr. BROOKE. Is an abortion, no question about it. If she is a victim of rape or incest she is then entitled, with these other provisions, of course——

Mr. MAGNUSON. It covers abortion.

Mr. BROOKE. It covers abortion, and it is abortion.

Mr. MAGNUSON. I think that should be clear.

Mr. BROOKE. I think that should be very clear, crystal clear, for the record.

Now, Mr. President, I think this clarifies the intent of the Senate, and I think of the House as well, as to any language which may cause the Secretary some problem insofar as the promulgation of regulations is concerned.

I think all of the other language here is clear on its face. I do not see any ambiguity, as I review this language, that could cause the Secretary to want to seek further any legislative intent. We know, when we are talking about medical procedures, that we are talking about abortions.

We know, when we are talking about severe and long-lasting physical health damage, that that is something that will be determined by a physician, because he is the only one who can determine that. We are not in a position to determine what severe and long-lasting physical health damage might be. It would be different from case to case. That is a medical determination that must be made.

We know what we are talking about when we say "when so determined by two physicians." It does not restrict the woman to two physicians; she can go to more physicians. The "reasonable" test will be used.

We also know that medicaid will pay for those physicians and for those consultations and the accompanying examinations and tests.

But we also expect—I should say I also expect—that that provision will be declared unconstitutional.

We know what we are talking about when we say the reporting must be prompt and that it must be within a reasonable and humane period of time.

Having all of that clearly spelled out for the Secretary of HEW, I can see no reason why he should have any difficulty whatsoever in the promulgation and drafting of regulations that will be in keeping with the intent of this Congress and the passage of this language.

Mr. MAGNUSON. Will the Senator yield, Mr. President?

Mr. BROOKE. Yes.

Mr. MAGNUSON. Also we never had any disagreement with this part of the language wherein we say:

> Nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of an ectopic pregnancy.

In other words, both Houses have overwhelmingly given their implied approval to family planning and we, in the Appropriations Committee, have always thought we have given sufficient funds for family planning. On that, I think, we are all in general agreement.

Mr. BROOKE. I think the Senator is absolutely correct. There has been no question about that at all.

The last provision provides us with no problem, and the first provision is the so-called pure Hyde language which excepts the life of the mother.

Mr. MAGNUSON. That is the best reason for an abortion that I can think of.

Mr. BROOKE. That is right, and I agree with the distinguished chairman again.

We wanted "fetus" in there, and I hope that some time we will progress to the point that "fetus" will be included be-

cause we get into the Tay-Sachs disease and others that are too horrible even to mention, that are excluded by virtue of the fact we have had to compromise this language time after time after time.

I think we have made a clear legislative record.

I would like to yield at this time, if I may, to he distinguished Senator from Pennsylvania (Mr. SCHWEIKER) who wants to speak in this matter.

Mr. MAGNUSON. I must say, before the Senator from Pennsylvania speaks, that I respect his feelings on this matter. I must say to the Senator from North Carolina and others who have been against—not necessarily against, but have been for stronger language than we have—that they have been most helpful.

I have been around this place for a long time, and I do not know how many conferences we have had on this issue. I have had more conferences on this than anything I can think of, and I can think of some pretty important ones we have had. But the Senators have been very, very helpful in helping the Senate arrive at some kind of resolution with the House, and I deeply appreciate it, and I know the Senator from Massachusetts does.

Mr. BROOKE. I certainly do. I concur.

Mr. SCHWEIKER. I thank the Senator for yielding.

Mr. President, my position is well known. I strongly support the anti-abortion language in the Labor-HEW conference report of last year. I have offered that language several times on this floor, but the Senate has rejected it, usually by a 2-to-1 margin.

I shall vote against this pending proposal because I cannot support language allowing the use of taxpayers' funds to pay for abortions as provided by this language.

However, while I disagree with the chairman and the ranking Republican members of the subcommittee, I respect their beliefs and their efforts to reach agreement with the House.

Mr. BROOKE. Mr. President, I thank the distinguished Senator from Pennsylvania for his statement. As our chairman has said, he is a very able and distinguished member of our subcommittee. He has been on a different side of this issue, but he has been fair and he has been objective. He has worked hard to resolve this question. Fully knowing how he feels about this issue, I just want to say how much I respect him, to thank him for everything he has done in an effort to uphold his position, and the fairness with which he has done that.

Mr. STENNIS. Mr. President, if the floor manager of the bill is through——

Mr. BROOKE. I have to yield to the Senator from New York.

Mr. STENNIS. I ask for the floor in my own right.

Mr. BROOKE. I yield to the Senator from New York first.

Mr. JAVITS. Is this on the same subject?

Mr. STENNIS. Yes.

Mr. JAVITS. If the Senator would like to precede me, he may go ahead.

Mr. STENNIS. The Senator may proceed.

Mr. JAVITS. Mr. President, I feel fortunate in returning from the Far East on the very day on which this matter is being finally resolved between the House and Senate. It has been a matter of deep concern to me, to all communities in New York and, I know, to the whole country.

First, we are all deeply indebted to Senators BROOKE and MAGNUSON for leading this fight and leading it successfully. I think what they have accomplished here, notwithstanding the limitation of the result, is a victory for humanity and enlightenment. They have also demonstrated that legislatures are not necessarily panicked by persistent, widespread, and powerful lobbying. This matter has certainly proved that.

Also, Mr. President, it is a victory for constitutional government and, in my judgment, of the ability of a Congress to agree.

Certainly, both Houses were deeply dug in on the subject. We have finally come to some resolution.

Second, it is a victory for social justice in our country. It is inconceivable to me, and to millions of other Americans, that women too poor to pay should be deprived of rights under the Constitution, as certified by the decision of the U.S. Supreme Court, accorded to women with means to pay.

This is the kind of discrimination which is anathema in our country.

I appreciate and respect the depth and sincerity of any American's philosphy, experience, religious and moral training that may lead him or her to conclude that abortion is wrong, and to follow it out for herself. But, I do not believe that the state should seek to impose involuntary requirements for other individuals who may have a different view. Abortion is a matter of individual conscience.

In my work in the Senate, I have diligently pursued the objective of equal access to all human services, including education and medical services and the elimination of practices which, intentionally or not, discriminate against individuals on the basis of income by depriving them of equal access—and their equal rights to public services.

Denial of Federal funds otherwise available for medical care, for "medically necessary" abortions is discrimination against the rights of millions of American women who can least afford it. Such action deprives women too poor to pay of the rights which under the Constitution and the Supreme Court decisions are accorded to women with means.

They alone are to be subjected by state action to bear children which they do not wish to bear and which no other woman with means is required to bear.

I appreciate the concern of Senator BROOKE about the constitutionality of this new language, but it may be that the court, as it can, may reject some part of this catechism, to wit, "when so determined by two physicians," but retain the substance, as the court test is whether or not the objectionable provision compromises the whole provision. That will, of course, be a question the courts will decide.

I think we are deciding something very substantive here, even if there is an adverse constitutional finding on that particular provision.

Finally, Mr. President, it is a major victory for women's rights. I am deeply sympathetic to the ERA and I voted for it here, as did many others. I am rather disappointed, deeply disappointed, that the States have not yet ratified that amendment. But the substance of women's rights is in few other instances more clearly demonstrated, and our action with respect to them more clearly required, than in this one which touches every woman in this country so intimately. A ban on Federal medical care funds for such use would have erected a legal impediment to equal protection for a class of women whom we have established by law to be entitled to look to the Federal and State Governments for their medical care.

So, Mr. President, I deeply feel that this is not only a very trying dispute between the House and the Senate which has been settled, but a milestone in our legislation and a milestone in our history on women's rights and on the fidelity of both Houses of Congress to their duty and to conscience.

I believe the country owes a great debt to Senators MAGNUSON and BROOKE for the persistence which this has called for. It would have been easy enough to say, "Well, it is only 1 year. We will try again next year." But they stuck to it and the Senate stuck with them. It is a great victory for our country today. I congratulate both Senators.

Mr. MAGNUSON. I thank the Senator.

Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate.

Mr. BROOKE. Mr. President, if the Senator will withhold that for a moment——

Mr. MAGNUSON. I will withhold it.

Mr. BROOKE. I want to thank the Senator from New York, as our chairman has. That was very kind and generous of the Senator, as is customary.

I also want to thank the majority and minority leadership. They have really been very, very helpful to us in this whole fight. I do not mean because they happened to vote on the side of the chairman and the side that I believed in, but because procedurally they have been fair and objective. They have helped us in many of the procedural matters, as has the very distinguished Parliamentarian of this august body.

I want the record to show that the majority leader, Mr. BYRD, the minority leader, Mr. BAKER, and our distinguished Parliamentarian have been very, very helpful during these long parliamentary problems we have had night after night, which, hopefully now, we are resolving.

Mr. MAGNUSON. Mr. President, I gladly associate myself with the remarks of the Senator from Massachusetts.

Mr. EAGLETON. Mr. President, as I have stated before, I am in sympathy with the Senate managers of the bill and respect their efforts to see that the pro-

grams operated by the Departments of Health, Education, and Welfare, and Labor do not grind to a halt; however, I wish to go on record as opposing the compromise language now before the Senate.

In my view, Federal funds should not be used to pay for abortions except in those cases where the life of the mother would be endangered if the fetus were carried to term. The language before us permitting abortions in those instances "where severe and long-lasting physical health damage to the mother would result if the pregnancy were carried to term when so determined by two physicians" broadens the exception to an unacceptable level.

As I have repeatedly stated, it is my profound moral conviction, Mr. President, that life is a continuum, from first beginnings in the womb to the final gasp of the dying, and that the first function of society, the primary responsibility of government, is to protect life and to create conditions which permit each person to flourish and to reach his or her fullest potential. For this reason, I shall vote against the compromise and urge my colleagues to do likewise.

Mr. HAYAKAWA. Mr. President, as the abortion controversy continues, I would like to bring to the attention of my colleagues three letters to the editor published today (December 7) in the Washington Post. Each of the three deals with an aspect of the problem that has not been previously discussed. I believe that the information and arguments presented in these letters may be helpful to my colleagues in Congress as well as to the general public during the consideration of the issue.

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

The lengthy deadlock between the House and Senate concerning abortion reflects our politicians' appalling ignorace of the latest scientific developments. While politicians wrangle over abortion in case of rape, medical innovations have created a quite different problem.

It is now possible to diagnose a number of serious and costly birth defects during pregnancy. Among the conditions identifiable by amniocentesis are Down's syndrome (Mongolism), spina bifida and other irreversible abnormalities requiring costly care or life-long institutionalization. According to one report, another technique will permit the discovery of some birth defects, including anencephaly—that is, a fetus without a brain. Other tests are not unlikely to be developed.

The economic costs—not to mention human suffering—involved in the artificial prolongation of grossly defective newborns are already a serious problem in today's hospitals. These new techniques offer the promise that parents could abort a defective fetus in order to have a normal, healthy child.

In their haste to prevent what some consider "sinful" abortions, however, congressmen seem to have forgotten their own previous legislation in the area of birth defects. Under the program known as EPSDT (Early Periodic Screening, Detection and Treatment), low-income families have a right to both screening and treatment for a wide range of birth defects. On the surface, it seems that EPSDT requires the federal government to pay for the care of defective newborns whose birth might for the first time be avoidable.

Obviously, it is not a question of requiring all pregnant women to undergo prenatal testing to see if their pregnancies are abnormal. But in some cases, such as Down's syndrome, if the mother is over 40, the risk is known to be very high and testing is reasonable. If a test in these circumstances reveals abnormality, it is contrary to common sense and humanity to prevent families from choosing a therapeutic abortion.

ROGER D. MASTERS,
Fellow, Hastings Center, Professor of Government, Dartmouth College.
HANOVER, N.H.

As far as I know, congressional debate on abortion never has brought out clearly what the basic issue is. Certainly, Congress has made no real effort to resolve it.

The right-to-lifers say abortion is murder.

The pro-abortionists say it is just a medical procedure of great personal worth to those undergoing it—and of vast financial value to society.

Obviously, if abortion is, indeed, murder, it should be forbidden to everyone. If it is not, then it should be available to everyone.

So, in theory at least, all Congress had to do was outlaw it across the board, as murder is outlawed, or treat it as a legitimate medical procedure and make it available in the same manner as any other such procedure.

Instead, it has decided, in effect, that abortion is murder for those who can't pay for it but an ordinary medical option for those who can pay.

LEWIS HAWKINS.
BETHESDA.

If the poor are deprived of abortions, then what? Who will love and nurture the unwanted infant so that it will grow into a healthy human being? Not likely the mother who was ready to abort it. I recognize the position held by the right-to-life groups, but I am very troubled by their apparent lack of concern for the infant they want born to unwilling parents. Let the right-to-life people take the first step to resolve the problem by guaranteeing to adopt every single unwanted child regardless of its race, color or physical condition. Only then might they have a valid argument against abortion. There are many ways to destroy life. In many circumstances, abortion may be the kindest.

SEYMOUR BRESS.
ROCKVILLE.

Mr. LEAHY. Mr. President, passage of this joint resolution is necessary in order to provide the District of Columbia city government with the legal authority to continue to incur obligations to meet the city payroll and to continue other basic city functions. The legal authority for the city to incur obligations expired on November 30, 1977. This joint resolution is the traditional continuing appropriation resolution with which we are all familiar and it will be effective until September 30, 1978. This will be the third continuing resolution that we have passed for the District of Columbia this year.

As many of you will recall, the fiscal year 1978 budget for the District of Columbia was passed by the Senate on October 4, 1977. Since then, the House and Senate conference committee has met on October 12 and again on October 17 in an attempt to resolve our differences. Since then I have repeatedly expressed my willingness to meet again in conference at any time starting at 6 a.m. and running at late as 12 p.m. in the evening. So far the House has not been able to meet again in conference.

By passing this continuing resolution and making it effective until September 30, 1978, I do not want to give the impression that we no longer have an interest in returning to the conference table and agreeing to a budget for the city for fiscal year 1978. I would have preferred an extention to February 28, 1978, at the very latest and have agreed reluctantly with the House on their date of September 30, 1978.

The city proposal to build and operate a $110,000,000 convention center in downtown Washington is the main difference between the House and Senate and this one issue alone is preventing us from reaching an agreement with the House. I have suggested that we set this item aside and pass a fiscal year 1978 budget for the city so the city can better plan its activities for the remainder of this fiscal year. I have also suggested that the city immediately begin to develop a proposal for a convention center that would accommodate the concerns of all affected parties, especially the views of the citizens and taxpayers of the city. So far the city has made no visible progress in developing a compromise proposal and so far seems more interested in obtaining approval for this one item in exactly the form they have proposed than they are in gaining passage of the entire city budget. Not only will this approach not gain approval for the current convention center proposal, but it is no longer responsible with regard to the city government's central responsibility for the operation of the entire city.

The elected city officials understood completely the issue that has the Congress deadlocked and they know full well how to resolve the issue and gain rapid approval of the fiscal year 1978 budget for the city. I am hopeful that the city will soon see their responsibility in this broader context so that we can pass a budget for the city for fiscal year 1978.

Mr. President. I ask unanimous consent that an editorial by Joe McCaffrey of WMAL radio be printed in the RECORD at this point.

The editorial concerns an alternative convention center proposal made by Mr. John Hechinger. I do not know enough about this proposal or other specific alternatives to endorse them, but points made by Mr. McCaffrey are illustrative of the problems we have faced on this issue.

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

John Hechinger is one of the nation's leading retailers.

He has also done more than his share as a public servant, but he is not politician. Because of that his plan to build a convention center and lease it back to the District

of Columbia is drawing a cold shoulder from city officials.

Mr. Hechinger knows the first principle of retailing is to give the consumer a bargain. He followed the same line of reasoning when he offered the District of Columbia his plan for a civic center.

This, he said, will save the taxpayers from 20 million to 30 million dollars.

That was where he made his mistake. Saving the taxpayer money is not one of the popular things today. Spending the taxpayers money is the big thrust.

Had Mr. Hechinger said—this will cost from 20 to 30 million more than the civic center now under consideration at Mt. Vernon Square, then he would have won the brass ring. It would be hailed as a wonderful thing for the taxpayer.

His mistake was in offering a saving. See, government isn't like retailing. Bargains are not appreciated.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. I would like to have recognition in my own right.

Mr. MAGNUSON. Before this is finished?

Mr. STENNIS. Before it is passed.

Mr. MAGNUSON. Mr. President, I would like to get this out of the way.

Mr. President, I move that the Senate concur in the amendment of the House to the amendment of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. STENNIS. Mr. President, I ask recognition for just a very few minutes. I commend the Senators who have worked on a very, very difficult subject, which was before the Appropriations Committee, for weeks and months. I think there have been over 35 rollcall votes on this matter. I especially thank the Senator from Pennsylvania, Mr. SCHWEIKER, who has worked hard and diligently for many, many days, and I thank him for wisely exercising my proxy on this abortion question.

Mr. President, may we have order in the Chamber?

The PRESIDING OFFICER. The Senate will be in order.

Mr. STENNIS. Certainly, the Senator from Pennsylvania is due a debt of gratitude by all of us who have views anywhere near or similar to his, and, I believe these views are shared by millions of Americans. I am most grateful to him for what he has done.

All Senators have worked on it, whichever side of the aisle they were on, with due diligence.

I just make one passing observation about the inadequacy of our Senate rules. I do not see how, with the volume of business we have to do each year, we can continue indefinitely with such obscure rules about amendments on appropriations bills, that contain legislation on appropriations bills. We all know about the practices here on points of order and germaneness, all too often, the membership vote on the merits of these proposed amendments rather than voting on an interpretation of the rules.

I would encourage those who specialize in this field and who are concerned with it, the leadership, too, to see if something could be done with reference to clearing up and being more specific as to our rules with reference to amendments on appropriations bills which also carry legislation. It chokes the committees; it slows down the floor consideration, and it is a millstone around our necks, really. I have observed this more and more from year to year. A lot of this type of proposals are in this bill, including the point on abortion.

Now, Mr. President, I have listened with the greatest interest here to the arguments which have been made. I do not want this subject left with the record reading like those of us who have been on the other side are more or less inhumane and indifferent to human suffering, or have a calloused viewpoint, or anything like that.

I believe, Mr. President, that on this matter of abortion, abortion at will or by choice, whatever it may be called, by and large, as it is carried on and practiced now with private funds, or public funds, or anything else, it is an attack on the family.

That is the main issue; it is an attack on the human family. That is the view, and I believe, it is the view of millions and millions of Americans tonight. This matter ought not to be passed over here without something being said with reference to that viewpoint.

Very respectfully, I believe that whatever is an attack on the human family is an attack even on our form of government, because the human family is a major institution in the bedrock and foundation of our system of self-government.

This matter has gone on and on with its variations and is taken as a joke, now, in some places. I am talking about abortion—abortion at will, not referring to the fine points and distinctions about the kind and the state, but the idea of abortion at will or by choice I believe there is already a changing sentiment, a deeper concern and more determination on the part of a many many people to bring back a better substance and better consideration of this subject as it relates to the human family.

I know the Senator from Massachusetts is a splendid fine lawyer, I do not see how we can go on with the practice of trying to read into our own language certain interpretations that we expect the courts to follow or we expect the Secretary of the Department of HEW or any Secretary to follow, I know how easy it is to do. I know I am tempted to do it; I may be guilty of it somewhat myself at times. But I do not accept the idea that a Member of this body car. get up on the floor as individuals and read in interpretations. We can give facts, but we have to make our own language express what we mean and get as near thereto as we can, rather than depend, for example, upon my idea of what it may mean and trying to make what I say have the effect of law, which it really cannot have.

Mr. SCHWEIKER. Will the Senator yield?

Mr. STENNIS. Yes, I am glad to yield.

I want to make clear that I am not trying to critcize or give anyone a lecture, but I sit here as a Member and as a lawyer who has had to listen to cases in court and make rulings, and I know the seriousness of those matters. It is no fun.

Mr. SCHWEIKER. I thank the distinguished Senator from Mississippi for his kind words about my work, but in turn, I thank him for the staunch support and the close cooperation he has given me in this problem ever since it has emerged. He has been one of the stalwart supporters of our conference position, both in the committee and on the Senate floor. I thank him for it.

I think he very aptly summed up the issue as I strongly feel it, as an attack on the human family, an attack on human life. Those of us who believe this way feel very deeply that that is what the issue is. I think he very articulately and very ably expressed it and I thank him for it.

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

Mr. STENNIS. If the Senator wants me to yield the floor, I shall either yield it or yield to him.

The PRESIDING OFFICER (Mr. MATSUNAGA). The Senator from Massachusetts is recognized.

Mr. BROOKE. Mr. President, I defer to no one in respect for the distinguished Senator from Mississippi (Mr. STENNIS). But my distinguished chairman (Mr. MAGNUSON) and I have been proposing amendments and negotiating with the House, as is well known, for many months. When making amendments on this floor, we know what we intend by those amendments. When we debate those amendments on the floor, we make it clear to our colleagues what we intended by those amendments. And when the Senate votes upon those amendments, obviously, the Senate adopts the intent that is contained in the amendments.

That is all I wanted to do in trying to make clear what the intent was of the proponents of most of these amendments and the negotiators with the House as to what was said between the House conferees and the Senate conferees, both in and out of conference; and also what the House did in its debate upon this same legislation and the passage of the language which was before us tonight.

I think it is always helpful to a judge and jury to have the legislative intent when that judge or that jury is trying to determine what the legislature intended by certain language. Mr. President, I tried to define what was the legislative intent of that language, as the distinguished Senator from Mississippi has said he has done time after time, on many occasions, and as I think we all have tried to do. I think it is helpful to the judicial branch of Government when the legislative branch gives it some insight into what their intent was. That is what we have tried to do here tonight.

Mr. President, I shall not belabor this

point. I just want to make clear what my position was in the colloquy that I had with my distinguished chairman.

Mr. President, if it is in order, I move to reconsider the vote that was taken by the Senate on this language.

Mr. JAVITS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JAVITS. Mr. President, will the Senator yield for just a very brief observation?

Mr. BROOKE. Yes, I yield.

Mr. JAVITS. We have very sharp differences, and I should like to affirm not only my enormous respect but my deep affection for the Senators who have spoken on the other side of this issue. When we speak about the humanity of the issue, that is our concept of it, and those gentlemen have the deepest sincerity and deepest feelings. They are passionately defending the very same highest human emotion. I hope my colleagues will understand that.

Mr. MAGNUSON. Mr. President, now that this matter is resolved in the Senate, I noticed, if I could get his attention, the distinguished Senator from California on the floor. I must say that we were very remiss in all these discussions between the House and the Senate on the question of what "prompt" means, or whether "grave" is serious, or "serious" is grave. At no time did we call upon the expert advice of the Senator from California.

I am sorry about that, because he might have cleared up a lot of the fog for us on what the words actually mean. That is why the Senator from Massachusetts and I spent a little time at least suggesting what we think they mean.

I apologize to the Senator. We should have called upon him, not as a Senator, but as an expert.

Mr. HAYAKAWA. The distinguished Senator from Washington does me too much credit altogether. My learned colleagues in the Senate have been dealing with words for a longer time than I have been and in a more important context than I have ever done.

No one knows better how to use words for their own purposes or broaden them for their own purposes or make them vague for their own purposes. They are all better at that than I am. Maybe after I have been a Member of this body for a number of years, I shall be as adept as they are.

The PRESIDING OFFICER (Mr. MATSUNAGA). The Chair will observe that the Chair thought that perhaps the Senator from Washington thought the Senator from California was a Senator from Hawaii and therefore did not call upon him. [Laughter.]

Mr. MAGNUSON. So far as I am concerned, the Senate can now recess for a while, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

SUPPLEMENTAL APPROPRIATIONS, 1978—CONFERENCE REPORT

Mr. STENNIS. Mr. President, in cooperation with and in counsel with the Senator from Washington (Mr. MAGNUSON), for the Appropriations Committee and for him, I submit a report of the committee of conference on H.R. 9375 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses of the amendments of the Senate to the bill (H.R. 9375) making supplemental appropriations for the fiscal year ending September 30, 1978, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of December 1, 1977.)

Mr. STENNIS. Mr. President, for the information of the membership—and this is important—we have not heard of any kind of special interest in this conference report in its present form, except with respect to the B–1 bomber. That is rescission of part of the 1977 appropriation for the B–1.

Mr. President, the House adopted the conference report yesterday by a voice vote.

The conference report appeared in the CONGRESSIONAL RECORD of Thursday, December 1, 1977, and the printed report, House Report 95–829, is also available. Therefore, I shall not go into detail on all of the items that were before the Conference Committee, but I will summarize and briefly review the recommendations of the conferees on major items.

The conference agreement and subsequent House action provides a grand total of $7,799,898,000 in new budget—obligational—authority for fiscal year 1978. This is $107,526,000 less than the $7,907,424,000 in budget estimates submitted by the President and considered by the House and Senate in connection with this bill. The conference agreement is $617,296,000 more than the bill as passed by the House and $90,348,000 less than the bill as passed by the Senate. Thus, new budget authority contained in the bill is very near the totals as approved by the Senate.

Major items in the bill include: $30 million for Federal crop insurance; $30 million for watershed and flood prevention operations; $36.6 million for agricultural conservation program; $44.2 million for Environmental Protection Agency research and development; $85 million for EPA abatement control; $4.5 billion for EPA waste treatment plant grants, the largest item in the bill; $67 million for surface mining reclamation and enforcement; $273 million for the Federal Energy Administration programs, now in the Department of Energy; $383 million for strategic petroleum reserves; $124 million for assistance to refugees from Cambodia, Vietnam, and Laos; $200 million for emergency fuel assistance to the poor and elderly; $80 million for the Clinch River breeder reactor project, one of the more controversial issues in the bill and before the Congress this year; $1.4 billion for SBA loans, principally to farmers; $423 million for Defense Department programs, principally involving acceleration of the cruise missile program; and $18 million for Amtrak.

Mr. President, some of these items were in contest.

On this last item regarding Amtrak, the House recommitted the first conference report on the bill with instructions to their conferees to recede to the Senate amendment providing $18 million for the Amtrak rail pasenger system. That has been done.

Several items were reported in disagreement and are outside of the conference report. The major items in this category were the $200 million appropriation for emergency fuel assistance for the poor and elderly under the Community Services Administration and the rescission of funds previously appropriated for the production of the B–1 bomber. The House yesterday by a rollcall vote of 182 to 181 receded and concurred in the Senate amendment providing $200 million for emergency fuel assistance. On the B–1 bomber rescission, the House rejected the Senate amendment and insisted on its disagreement with the Senate.

After disposition of the conference report, this matter on the B–1 will have to be dealt with further, probably at some time to be set within the next 10 days or near thereto and agreed on by the leaders and the membership.

I repeat here: The matter about the B–1 from a parliamentary standpoint has to be dealt with as more or less outside the conference report, and any action on the report here that I will ask for will not include action tonight on the B–1. I want to make that very clear.

Mr. President, I ask unanimous consent that a comparative statement on the conference amounts and House and Senate allowances be printed in the RECORD at this point.

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

SUPPLEMENTAL APPROPRIATION'S ACT, 1978 (H.R. 9375)—CONFERENCE SUMMARY

Document No.	Agency and item	Estimates of new budget (obligational) authority, fiscal year 1978	New budget (obligational) authority, House bill	New budget (obligational) authority, Senate bill	New budget (obligational) authority, Conference	Conference action compared with— Estimates of new budget (obligational) authority, fiscal year 1978	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	CHAPTER I							
	DEPARTMENT OF AGRICULTURE							
	AGRICULTURAL PROGRAMS							
	Production, Processing, And Marketing							
H. Doc. 95-195	Office of the Secretary	$145,000	$145,000	$145,000	$145,000			
	Agricultural Marketing Service:							
	Marketing services			3,708,000	2,000,000	+$2,000,000	+$2,000,000	−$1,708,000
	Farm Income Stabilization							
	Federal Crop Insurance Corporation:							
	Subscription to capital stock			30,000,000	30,000,000	+30,000,000	+30,000,000	
	RURAL DEVELOPMENT PROGRAMS							
	Rural Development Assistance							
H. Doc. 95-223	Farmers Home Administration:							
	Very low-income housing repair grants	4,000,000	4,000,000	4,000,000	4,000,000			
	Agricultural Credit Insurance Fund:							
	Insured real estate loans			(100,000,000)				(−100,000,000)
	Conservation							
	Soil Conservation Service:							
	Watershed and flood prevention operations		30,000,000	26,704,000	30,000,000	+30,000,000		+3,296,000
	Agricultural Stabilization and Conservation Service:							
	Agricultural conservation program:							
	Advance authorization (contract authority)			36,600,000	36,600,000	+36,600,000	+36,600,000	
	(Liquidation of contract authority)			(36,600,000)	(36,600,000)	(+36,600,000)	(+36,600,000)	
	Total, chapter I:							
	New budget (obligational) authority	4,145,000	34,145,000	101,157,000	102,745,000	+98,600,000	+68,600,000	+1,588,000
	(Insured loans)			(100,000,000)				(−100,000,000)
	(Liquidation of contract authority)			(36,600,000)	(36,600,000)	(+36,600,000)	(+36,600,000)	
	CHAPTER II							
	INDEPENDENT AGENCIES							
	Environmental Protection Agency							
H. Doc. 95-209	Research and development	35,000,000	40,500,000	47,000,000	44,200,000	+9,200,000	+3,700,000	−2,800,000
H. Doc. 95-203								
H. Doc. 95-223	Abatement and control	85,000,000	85,000,000	85,000,000	85,000,000			
H. Doc. 95-223	Construction grants	4,500,000,000	4,500,000,000	4,500,000,000	4,500,000,000			
	Total, Environmental Protection Agency	4,620,000,000	4,625,500,000	4,632,000,000	4,629,200,000	+9,200,000	+3,700,000	−2,800,000
	Veterans' Administration							
H. Doc. 95-29	Construction, major projects			139,100,000				−139,100,000
S. Doc. 95-55	Grants for construction of State extended care facilities	5,000,000	5,000,000	5,000,000	5,000,000			
	Assistance for health manpower training institutions			3,847,000	3,847,000	+3,847,000	+3,847,000	
	Total, Veterans' Administration	5,000,000	5,000,000	147,947,000	8,847,000	+3,847,000	+3,847,000	−139,100,000
	Total, chapter II: New budget (obligational) authority	4,625,000,000	4,630,500,000	4,779,947,000	4,638,047,000	+13,047,000	+7,547,000	−141,900,000
	CHAPTER III							
	DEPARTMENT OF THE INTERIOR							
	FISH AND WILDLIFE AND PARKS							
	United States Fish and Wildlife Service							
	Resource management			2,600,000				−2,600,000
H. Doc. 95-236	Construction and anadromous fish	3,600,000	3,600,000	3,600,000	3,600,000			
	Total, Fish and Wildlife and Parks	3,600,000	3,600,000	6,200,000	3,600,000			−2,600,000
	ENERGY AND MINERALS							
	Geological Survey							
H. Doc. 95-223	Surveys, investigations, and research	5,000,000	5,000,000	2,000,000	2,000,000	−3,000,000	−3,000,000	
	Office of Surface Mining							
	Reclamation and Enforcement							
H. Doc. 95-223	Enforcement and research	24,080,000	24,080,000	30,880,000	30,880,000	+6,800,000	+6,800,000	
H. Doc. 95-223	Abandoned mine reclamation	36,647,000	36,647,000	36,647,000	36,647,000			
	Total, Office of Surface Mining Reclamation and Enforcement	60,727,000	60,727,000	67,527,000	67,527,000	+6,800,000	+6,800,000	

Document No.	Agency and item	Estimates of new budget (obligational) authority, fiscal year 1978	New budget (obligational) authority, House bill	New budget (obligational) authority, Senate bill	New budget (obligational) authority, Conference	Conference action compared with— Estimates of new budget (obligational) authority, fiscal year 1978	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	CHAPTER III—Continued							
	DEPARTMENT OF THE INTERIOR—Continued							
	INDIAN AFFAIRS							
	Bureau of Indian Affairs							
H. Doc. 95-175 H. Doc. 95-236	Operation of Indian programs	6,381,000	8,054,000	7,224,000	8,374,000	+1,993,000	+320,000	+1,150,000
H. Doc. 95-236	Construction	2,163,000	1,866,000	2,166,000	2,166,000	+3,000	+300,000	
	Total, Bureau of Indian Affairs	8,544,000	9,920,000	9,390,000	10,540,000	+1,996,000	+620,000	+1,150,000
	TERRITORIAL AFFAIRS							
	Office of Territorial Affairs							
H. Doc. 95-223	Administration of territories	1,798,000	1,798,000	1,798,000	1,798,000			
	SECRETARIAL OFFICES							
	Office of the Solicitor							
H. Doc. 95-223	Salaries and expenses	1,100,000	1,100,000	1,100,000	1,100,000			
	Office of the Secretary							
H. Doc. 95-223	Salaries and expenses	250,000	250,000	250,000	250,000			
H. Doc. 95-223	Departmental operations	795,000	795,000	795,000	795,000			
	Total, Office of the Secretary	1,045,000	1,045,000	1,045,000	1,045,000			
	Total, Secretarial Offices	2,145,000	2,145,000	2,145,000	2,145,000			
	Total, Department of the Interior	81,814,000	83,190,000	89,060,000	87,610,000	+5,796,000	+4,420,000	−1,450,000
	RELATED AGENCIES							
	FOREST SERVICE							
	Forest protection and utilization:							
	Forest land management			3,672,000	1,836,000	+1,836,000	+1,836,000	+1,836,000
	ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION							
	Operating expenses, fossil fuels			5,000,000	1,000,000	+1,000,000	+1,000,000	−4,000,000
	FEDERAL ENERGY ADMINISTRATION							
H. Doc. 95-223	Salaries and expenses	423,789,000		276,344,000	273,194,000	−150,595,000	+273,194,000	−3,150,000
H. Doc. 95-223	Strategic petroleum reserves	798,189,000	383,173,000	383,173,000	383,173,000	−415,016,000		
	Total, Federal Energy Administration	1,221,978,000	383,173,000	659,517,000	656,367,000	−565,611,000	+273,194,000	−3,150,000
	Total, Related Agencies	1,221,978,000	383,173,000	668,189,000	659,203,000	−562,775,000	+276,030,000	−8,986,000
	Total, chapter III: New budget (obligational) authority	1,303,792,000	466,363,000	757,249,000	746,813,000	−556,979,000	+280,450,000	−10,436,000
	CHAPTER IV							
	DEPARTMENT OF LABOR							
	Employment Standards Administration							
H. Doc. 95-223	Salaries and expenses	4,700,000	3,700,000	3,700,000	3,700,000	−1,000,000		
	Departmental Management							
H. Doc. 95-223	Salaries and expenses	1,270,000	1,270,000	1,270,000	1,270,000			
	Total, Department of Labor	5,970,000	4,970,000	4,970,000	4,970,000	−1,000,000		
	DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE							
	Health Resources Administration							
	Medical facilities guarantee and loan fund			(2,000,000)	(2,000,000)	(+2,000,000)	(+2,000,000)	
	EDUCATION DIVISION							
	Office of Education							
	Higher education		9,100,000		5,000,000	+5,000,000	−4,100,000	+5,000,000
H. Doc. 95-223	Student loan insurance fund:							
	Appropriation	15,948,000				−15,948,000		
	Authority to spend debt receipts	15,000,000	15,000,000	15,000,000	15,000,000			
	Total, Student loan insurance fund	30,948,000	15,000,000	15,000,000	15,000,000	−15,948,000		

SUPPLEMENTAL APPROPRIATION'S ACT, 1978 (H.R. 9375)—CONFERENCE SUMMARY—Continued

Document No.	Agency and item	Estimates of new budget (obligational) authority, fiscal year 1978	New budget (obligational) authority, House bill	New budget (obligational) authority, Senate bill	New budget (obligational) authority, Conference	Conference action compared with— Estimates of new budget (obligational) authority, fiscal year 1978	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Higher education facilities loan and insurance fund:							
	Loan authority		(7,200,000)		(7,200,000)	(+7,200,000)		(+7,200,000)
	Total, Office of Education	30,948,000	24,100,000	15,000,000	20,000,000	−10,948,000	−4,100,000	+5,000,000
	Social Security Administration							
H. Doc. 95-227	Special assistance to refugees from Cambodia, Vietnam, and Laos in the United States	71,700,000		124,000,000	124,000,000	+52,300,000	+124,000,000	
	Departmental Management							
H. Doc. 95-203	General departmental management	1,719,000		1,719,000	1,719,000		+1,719,000	
	Total, Department of Health, Education, and Welfare	104,367,000	24,100,000	140,719,000	145,719,000	+41,352,000	+121,619,000	+5,000,000
	RELATED AGENCIES							
	Community Services Administration							
	Community services program			200,000,000	200,000,000	+200,000,000	+200,000,000	
	Total, chapter IV:							
	New budget (obligational) authority	110,337,000	29,070,000	345,689,000	350,689,000	+240,352,000	+321,619,000	+5,000,000
	Appropriations	95,337,000	41,070,000	330,689,000	335,689,000	+240,352,000	+321,619,000	+5,000,000
	Authority to spend debt receipts	15,000,000	15,000,000	15,000,000	15,000,000			
	CHAPTER V							
	ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION							
H. Doc. 95-223	Operating Expenses	(17,000,000)	121,000,000	99,000,000	101,000,000	+101,000,000	−20,000,000	+2,000,000
	DEPARTMENT OF DEFENSE—CIVIL							
	DEPARTMENT OF THE ARMY							
	Corps of Engineers—Civil							
	Alaska Hydroelectric Development Fund			5,450,000	5,450,000	+5,450,000	+5,450,000	
	DEPARTMENT OF THE INTERIOR							
	Bureau of Reclamation							
	Upper Colorado River Storage Project (By transfer)			(875,000)	(875,000)	(+875,000)	(+875,000)	
	Total, chapter V:							
	New budget (obligational) authority	(17,000,000)	121,000,000	104,450,000	106,450,000	+106,450,000	−14,550,000	+2,000,000
	(By transfer)			(875,000)	(875,000)	(+875,000)	(+875,000)	
	CHAPTER VI							
	DEPARTMENT OF JUSTICE							
	Legal Activities							
H. Doc. 95-223	Salaries and expenses, general legal activities:							
H. Doc.	(By transfer)	(1,445,000)	(1,445,000)	(1,445,000)	(1,445,000)			
95-223	Salaries and expenses, Antitrust Division:							
	(By transfer)	(1,223,000)	(1,223,000)	(1,223,000)	(1,223,000)			
	Total, Department of Justice (By transfer)	(2,668,000)	(2,668,000)	(2,668,000)	(2,668,000)			
	DEPARTMENT OF COMMERCE							
	General Administration							
H. Doc. 95-208	Salaries and expenses	1,350,000				−1,350,000		
	Bureau of the Census							
H. Doc. 95-174	Periodic censuses and programs	7,500,000	7,000,000	7,500,000	7,000,000	−500,000		−500,000
	Total, Department of Commerce	8,850,000	7,000,000	7,500,000	7,000,000	−1,850,000		−500,000
	RELATED AGENCIES							
	Small Business Administration							
H. Doc. 95-223 S. Doc. 95-69	Disaster loan fund	1,400,000,000	1,400,000,000	1,400,000,000	1,400,000,000			
	Total, chapter VI:							
	New budget (obligational) authority	1,408,850,000	1,407,000,000	1,407,500,000	1,407,000,000	−1,850,000		500,000
	(By transfer)	(2,668,000)	(2,668,000)	(2,668,000)	(2,668,000)			
	CHAPTER VII							
	DEPARTMENT OF THE TREASURY							
	Internal Revenue Service:							
H. Doc. 95-223	Salaries and expenses	(285,000)				(−285,000)		
H. Doc. 95-223	Accounts, collection and taxpayer service	(7,476,000)				(−7,476,000)		
H. Doc. 95-223	Compliance	(3,839,000)				(−3,839,000)		
	Total, Internal Revenue Service	(11,600,000)				(−11,600,000)		

Document No.	Agency and item	Estimates of new budget (obligational) authority, fiscal year 1978	New budget (obligational) authority, House bill	New budget (obligational) authority, Senate bill	New budget (obligational) authority, Conference	Conference action compared with— Estimates of new budget (obligational) authority, fiscal year 1978	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	CHAPTER VII—Continued							
	EXECUTIVE OFFICE OF THE PRESIDENT							
H. Doc. 95-223	National Security Council	(160,000)				(−160,000)		
	INDEPENDENT AGENCIES							
	General Services Administration:							
	Federal Buildings Fund:							
	Limitation on availability of revenue:							
	Construction		(48,913,000)	(34,130,000)	(48,913,000)	(+48,913,000)		(+14,783,000)
	General activities:							
	Allowances and Office Staff for Former Presidents		54,000	54,000	54,000	+54,000		
	Total, chapter VII:							
	New budget (obligational) authority		54,000	54,000	54,000	+54,000		
	(Increase in limitations)		(48,913,000)	(34,130,000)	(48,913,000)	(+48,913,000)		(+14,783,000)
	CHAPTER VIII							
	DEPARTMENT OF DEFENSE—MILITARY							
S. Doc. 95-57	Operation and maintenance, Defense agencies	3,400,000	3,400,000	3,400,000	3,400,000			
	Aircraft procurement, Navy		151,600,000		73,900,000	+73,900,000	−77,700,000	+73,900,000
S. Doc. 95-57	Aircraft procurement, Air Force	33,000,000	33,000,000	33,000,000	33,000,000			
95-187	Rescission of prior year budget authority	−462,000,000		−462,000,000	[1]			
S. Doc. 59-57	Missile procurement, Air Force	64,000,000	64,000,000	64,000,000	64,000,000			
95-187	Rescission of prior year budget authority	−1,400,000		−1,400,000	−1,400,000		−1,400,000	
S. Doc. 95-57	Research, development, test and evaluation, Air Force	333,600,000	233,470,000	260,500,000	240,500,000	−93,100,000	+7,030,000	−20,000,000
S. Doc. 95-57	Research, development, test, and evaluation, Defense agencies	15,000,000	9,000,000	9,000,000	9,000,000	−6,000,000		
	Total, chapter VIII:							
	Net budget (obligational) authority	−14,400,000	494,470,000	−93,500,000	−39,600,000	−25,200,000	−534,070,000	+53,900,000
	New budget (obligational) authority	449,000,000	494,470,000	369,900,000	423,800,000	−25,200,000	−70,670,000	+53,900,000
	Rescission of prior year budget authority	−463,400,000		−463,400,000	[1]			
	CHAPTER IX							
	DEPARTMENT OF TRANSPORTATION							
	Federal Railroad Administration							
	Grants to the National Railroad Passenger Corporation (Amtrak)			18,000,000	18,000,000	+18,000,000	+18,000,000	
	Total, chapter IX: Net budget (obligational) authority			18,000,000	18,000,000	+18,000,000	+18,000,000	

Title No.	Agency and item	New budget (obligational) authority, fiscal year 1977 (enacted to date)	New budget (obligational) authority, House bill	New budget (obligational) authority, Senate bill	New budget (obligational) authority, Conference	Conference action compared with— New budget (obligational) authority, fiscal year 1977 (enacted to date)	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	CHAPTER X							
	FOREIGN OPERATIONS							
	DEPARTMENT OF STATE							
H. Doc. 95-223	Migration and refugee assistance	6,300,000		6,300,000	6,300,000		+6,300,000	
	SUMMARY							
I	Agriculture:							
	New budget (obligational) authority	4,145,000	34,145,000	101,157,000	102,745,000	+98,600,000	+68,600,000	+1,588,000
	(Insured loans)			(100,000,000)				(−100,000,000)
	(Liquidation of contract authority)			(36,600,000)	(36,600,000)	(+36,600,000)	(+36,600,000)	
II	Housing and Urban Development—Independent Agencies:							
	New budget (obligational) authority	4,625,000,000	4,630,500,000	4,779,947,000	4,638,047,000	+13,047,000	+7,547,000	−141,900,000
III	Interior and Related Agencies:							
	New budget (obligational) authority	1,303,792,000	466,363,000	757,249,000	746,813,000	−556,979,000	+280,450,000	−10,436,000
IV	Labor and Health, Education and Welfare:							
	New budget (obligational) authority	110,337,000	29,070,000	345,689,000	350,689,000	+240,352,000	+321,619,000	+25,000,000
	Appropriations	95,337,000	14,070,000	330,689,000	135,689,000	+240,352,000	+321,619,000	+25,000,000
	Authority to spend debt receipts	15,000,000	15,000,000	15,000,000	15,000,000			
V	Public Works:							
	New budget (obligational) authority		121,000,000	104,450,000	106,450,000	+106,450,000	−14,550,000	+2,000,000
	(By transfer)			(875,000)	(875,000)	(+875,000)	(+875,000)	
VI	State, Justice, Commerce and the Judiciary:							
	New budget (obligational) authority	1,408,850,000	1,407,000,000	1,407,500,000	1,407,000,000	−1,850,000		−500,000
	(By transfer)	(2,668,000)	(2,668,000)	(2,668,000)	(2,668,000)			
VII	Treasury, Postal Service and General Government:							
	New budget (obligational) authority		54,000	54,000	54,000	+54,000		
	(Increase in limitations)		(48,913,000)	(34,130,000)	(48,913,000)	(+48,913,000)		(+14,783,000)
VIII	Defense:							
	Net budget (obligational) authority	−14,400,000	494,470,000	−93,500,000	−39,600,000	−25,200,000	−534,070,000	+53,900,000
	New budget (obligational) authority	449,000,000	494,470,000	369,900,000	423,800,000	−25,200,000	−70,670,000	+53,900,000
	Rescission of prior year budget authority	−463,400,000		−463,400,000	[1]			

[1] Rescission remains in disagreement between House and Senate.

SUPPLEMENTAL APPROPRIATION'S ACT, 1978 (H.R. 9375)—CONFERENCE SUMMARY—Continued

Title No.	Agency and Item	New budget (obligational) authority, fiscal year 1977 (enacted to date)	New budget (obligational) authority, House bill	New budget (obligational) authority, Senate bill	New budget (obligational) authority, Conference	Conference action compared with— New budget (obligational) authority, fiscal year 1977 (enacted to date)	House bill	Senate bill
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
IX	Transportation:							
	New budget (obligational) authority			18,000,000	18,000,000	+18,000,000	+18,000,000	
X	Foreign Operations:							
	New budget (obligational) authority	6,300,000		6,300,000	6,300,000		+6,300,000	
	Grand total:							
	New budget (obligational) authority	7,907,424,000	7,182,602,000	7,890,246,000	7,799,898,000	−107,526,000	+517,296,000	−90,348,000
	Appropriations	7,892,424,000	7,167,602,000	7,875,246,000	7,774,898,000	−107,526,000	+517,296,000	−90,348,000
	Authority to spend debt receipts	15,000,000	15,000,000	15,000,000	15,000,000			
	Rescission of prior year budget authority	−463,400,000		−463,400,000	[1]			
	(Insured loans)			(100,000,000)				(−100,000,000)
	(By transfer)	(2,668,000)	(2,668,000)	(3,543,000)	(3,543,000)	(+875,000)	(+875,000)	
	(Increase in limitations)		(48,913,000)	(34,130,000)	(48,913,000)	(+48,913,000)		(+14,783,000)
	(Liquidation of contract authority)			(36,600,000)	(36,600,000)	(+36,600,000)	(+36,600,000)	

Mr. BROOKE. Mr. President, I am pleased to recommend adoption of the conference report on the Labor-HEW chapter—chapter IV—of the fiscal year 1978 supplemental appropriations bill.

The Labor-HEW chapter provides $350,689,000 to take care of a few important requirements which have developed since action on the regular fiscal 1978 bill.

I am glad to report that we were able to sustain most of our amendments to the House bill. I am particularly pleased that the House has voted to accept our amendment to provide $200 million for the emergency fuel assistance program under the Community Services Administration. The conferees were unable to agree on this item, but the full House has voted to recede and concur with the Senate action. This means that $200 million will be available, at the outset of the winter, to provide the poor and near poor, including the elderly, with emergency assistance to pay fuel bills in the event of another severe winter. The funds are to be made available on a contingency basis, and will be directed only to those areas with energy emergencies. I commend my colleagues in the House for their foresight in supporting this measure.

I am glad the conferees were able to reach agreement on funding for the intercultural facilities to be built at Tufts University in Boston and at Georgetown University. Tufts' Fletcher School of Law and Diplomacy and Georgetown's School of Foreign Service are two of the Nation's oldest and finest institutions for the training of foreign service personnel. They will serve as excellent models for the testing of the intercultural center concept.

I was pleased, too, that the House agreed to the Senate's amendment to provide $124 million for the continued operation of the Indochinese refugee program. The program will begin a planned, orderly phaseout over the next 4 years.

I also was pleased that the House and Senate agreed on the need for additional staff for the Labor Department. This action will strengthen the enforcement of minimum wage and overtime laws in industries with large numbers of undocumented workers, and will improve the handling of the growing workload of trade adjustment assistance cases. And we agreed to the borrowing authority requested by the administration for mandatory default payments on guaranteed student loans.

We have limited Labor-HEW items to those with an immediate need for appropriations. I recommend them to the Senate and urge adoption of the conference report.

Mr. GLENN. Mr. President, the House recommitted the supplemental conference report by a vote of 258 to 138 and receded entirely on chapter IX—the Department of Transportation provisions. They ordered restoration of the $18 million contained in the Senate version and were silent on the remainder of the Senate language. The Senate report stated that Amtrak should continue the National Limited over the present route—through Dayton, Ohio and Richmond, Ind.—utilizing part of the $18 million for that purpose.

The full House and the House conferees had the opportunity of rejecting that language, but they did not; they remained silent.

Since the House restored the $18 million and remained silent on Senate language continuing the present route of the National, and since the only language remaining concerning the National is the Senate report, does the distinguished chairman believe that it is the intent of the Congress that the National continue to travel over its present route?

Mr. MAGNUSON. I certainly agree with the Senator's statement. In fact, I asked the Appropriations Committee staff to check with Mr. Reistrup on this matter and we have received his assurances that he intends to continue this train on its present route for the forseeable future.

NATIONAL LIMITED ROUTE TO STAY IN DAYTON

Mr. GLENN. Mr. President, as a result of congressional action on the Amtrak supplemental appropriations, the National Limited will continue to serve Dayton for the foreseeable future.

A switching of the main east-west freight line of Conrail's north of the city of Dayton lead to the decision by Amtrak to travel the same route—thus depriving Dayton of rail passenger service the Congress said the city should have. Those of us who have looked into the situation in some detail feel that the northern route would kill the train: Freight traffic of from 40 to 60 freight trains a day would effectively interdict the passenger train—destroying its now favorable schedule; plus, the shifting of routes would cause loss of riders from Dayton and Richmond. We feel the train would soon join the "hit" list of trains suffering from low ridership and high deficits.

Today the Senate approved legislation which will require the National to continue to be routed via Dayton. I am very pleased that the Congress has made clear its intent that Dayton shall continue to be served by the National. Those of us who have worked for the past 6 months to save this train for Dayton passengers feel that the effort has been worth the result. The National will continue to run on a route and a schedule which will permit introduction of new equipment and the continued increase in ridership.

Both the House and Senate have made clear that the "rail experiment" shall continue. Hopefully, the result will be to attract increased long- and short-haul passenger traffic to the rails—getting people out of their cars and into safer and more energy-efficient trains.

Mr. President, I wish to salute the people of Dayton, the Dayton Chamber of Commerce, the city government of Dayton, and the Ohio Rail Transportation Authority for their refusal to accept what many said was the inevitable. I also wish to thank my colleagues in the House who made clear that Congress remain committed to making rail service an increasingly important part of a balanced national transportation system.

Dayton is an example of what can happen when you provide decent scheduling and adequate equipment on a rail line. Dayton's train station has been named the "Station of the Year" for its facilities and services. Ridership since the change in schedules has more than tripled in Dayton.

In closing, Mr. President, I would like to point out that preserving this train now will mean that when track repairs are completed between Cincinnati and Indianapolis, the National is scheduled to run between Dayton, Cincinnati, and Indianapolis, adding millions of potential rail passengers to the route. Hopefully, the National will become one of Amtrak's most successful long-haul trains, and continue to provide transcontinental service across America.

Mr. STENNIS. Mr. President, I ask unanimous consent that a statement by the chairman of the Subcommittee on

Agriculture Appropriations, the Senator from Missouri (Mr. EAGLETON) on this conference report be printed in the RECORD.

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

The statement ordered to be printed in the RECORD is as follows:

STATEMENT OF SENATOR EAGLETON

The conference agreement with respect to Chapter I, Agriculture, includes new budget authority of $102,745,000. This is $68.6 million above the House bill and $1,588,000 above the Senate bill. I might add that the Senate considered and took action on a number of items not considered by the House, and for which there were no budget estimates; although, there was a clear need for further appropriations.

I would like to summarize the conference agreement briefly, and outline what is funded.

First, there is an appropriation of $145,000 for executive level pay raises. Both Houses included these funds. Next, the conferees agreed to provide $2 million for the Agricultural Marketing Service's new government-wide Food Quality Assurance Program. The Senate had provided $3.7 million, but it was believed by the conferees that the work could be accomplished with a smaller budget. The conferees agreed to consider a 1978 supplemental if this funding is not adequate.

An appropriation of $30 million is provided in the conference agreement for Subscription to Capital Stock of the Federal Crop Insurance Corporation. Last month, the Department advised the conferees that the Corporation expected to be out of funds to meet contractual obligations for claims by early December of this year. We have just recently been advised that because of a lower volume of claims, this date has been revised to the end of December. Therefore, these funds will still be needed.

For the Farmers Home Administration, the conference agreement includes $4 million for very-low income housing repair grants, to be used primarily for weatherization of homes for the elderly.

With respect to the additional authority of $100 million included only in the Senate bill for farm ownership loans, the conferees decided to defer action at this time. In lieu of additional authority, the conferees requested that a study of various loan programs be completed, paying particular attention to the farm credit situation.

The conference agreement provides $30 million for Section 216 emergency watershed and flood prevention operations. Here, the Senate had funded only the level of known applications, while the House included an additional allowance for future emergency activities. Conferees were advised that additional applications in the amount of $2.7 million had been identified subsequent to the Senate action.

Finally, the conference agreement includes $36,600,000 for the Agricultural Conservation Program, Drought and Flood Conservation Program. This was the same as the Senate amount, and will provide for cost-sharing assistance in drought areas. The conferees agreed that moneys appropriated for this program should be for reimbursement to farmers for expenditures incurred beginning on the date of the Presidential disaster declaration as authorized by law.

This completes the summary of the conference agreement on Chapter I.

Mr. STENNIS. Mr. President, with the explanation I have already made that this motion now that I make does not include the one question which we will discuss some later, I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the motion to adopt the conference report.

The motion was agreed to.

Mr. STENNIS. I thank the Chair.

Mr. President, continuing, I ask that the Chair lay before the Senate certain amendments in disagreement.

The PRESIDING OFFICER. The clerk will report the amendments in disagreement.

The legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 2, 5, 8, 10, 15, 25, 28, 29, 31, 32, 35, 44, 48, 49 through 51 inclusive, and 53 to the aforesaid bill, and concur therein.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 1 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

"AGRICULTURAL MARKETING SERVICE, MARKETING SERVICES

"For additional amount for the 'Agricultural Marketing Service, Marketing Services', $2,000,000.".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 7 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter stricken and inserted by said amendment, insert: table 3 of Committee Print Numbered 95–30 of the Committee on Public Works and Transportation of the House of Representatives

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 16 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: $8,374,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 22 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed by said amendment, insert: $1,000,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 23 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter proposed by said amendment, insert:

FEDERAL ENERGY ADMINISTRATION, SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses", $273,194,000, of wihich $253,110,000 shall become available only upon enactment of authorizing legislation as follows: (1) for conservation grants for schools and health care facilities, $200,000,000; for conservation grants for local government buildings, $25,000,000; for grants for financial assistance to utility regulatory commissions, $6,630,000; for solar heating and cooling installations in Federal buildings, $20,000,000; to remain available for obligation until September 30, 1979; and (2) for administration of grants for schools and health care facilities, local government buildings, and utility rate reform, $1,480,000; *Provided*, That of the total amount of this appropriation, not to exceed $6,000,000 shall remain available until expended for a reserve to cover any defaults from loan guarantees issued to develop underground coal mines as authorized by Public Law 94–163; *Provided further*, That the indebtedness guaranteed or committed to be guaranteed under said law shall not exceed the aggregate of $62,000,000.

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 37 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the sum proposed in said amendment, insert: $15,000

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 52 to the aforesaid bill, and concur therein with an amendment as follows:

In lieu of the matter inserted by said amendment, insert:

SEC. 209. The Secretary of Transportation shall, not later than 60 days after the date of enactment of this Act, designate as a route on the National System of Interstate and Defense Highways, from mileage withdrawn from such System before the date of enactment of this Act under authority of 23 U.S.C. 103(e), and which is available for such a designation, 1.5 miles in the State of Washington for a connection with Interstate Route 5 and the City of Tacoma, Washington.

Resolved, That the House insist on its disagreement to the amendment of the Senate numbered 43 to the aforesaid bill.

Mr. STENNIS. Mr. President, those mentioned in the opening statement are included, and I repeat that these items now being presented by the Chair do not include this B–1 item, which will come up next.

So I move, Mr. President, that the Senate now concur en bloc in the amendments of the House to the amendments of the Senate numbered 1, 7, 16, 22, 23, 27, 37, and 52.

Without objection, the motion was agreed to.

Mr. STENNIS. Mr. President, that concludes those matters.

That does conclude action, as I understand the parliamentary situation, on the conference report and amendments of the House to the Senate amendments except this outside item, which was the B–1, which is a rescission amendment that was in the bill, a rescission of funds appropriated for fiscal year 1977 put in the bill by the Senate committee under the Senate rules, authority that we have had for many years under the Senate rules to rescind appropriations with equal authority that we have to make appropriations, but that is a separate matter, and there has been consideration.

The majority leader, Mr. ROBERT C. BYRD, conferred by telephone with the senior Senator from North Dakota and went over these matters, not including the B–1, which was a matter that was left to the discretion here of those of us who are managing the bill, and we have already presented them. The B–1 was definitely to go over for some future date perhaps about 10 days from now, as I have said, to be worked out by the leadership after reasonable notice.

So the action here tonight will leave the B–1 on the table, so to speak, without prejudice, to be an open question. I propose to make a motion that we reject the House's action on the B–1 money. Anyone else may make a motion to accept the House's action to not rescind that money. The issue then will be open to debate, of course.

I am emphasizing that sum because there have been some inquiries about it, and I have gone into it again even today on its merits. I am not going to argue

that matter now. But I have supported the B-1 for a long time, many years. In fact, we had it before our preparedness subcommittee when I was chairman, way back. But we called on the President, whoever he might be—we passed a law in 1976, that the President would have to make a finding, a conclusion. It turned out to be Mr. Carter, and he made his recommendation, on June 30 I recall. I took the position then, not knowing what his ruling was going to be, but I said we must not use up the rest of the year now arguing it. We must move forward and see what can be done about alternatives, and we have passed some authorizations.

To bring the picture briefly in focus, we have passed some authorization bills on this subject, and then some appropriations bills on it, and they have been approved by the House of Representatives and the Senate, and they are in process now.

So, back to this rescission matter only, and it relates primarily to the bombers No. 5, 6, and 7, as I recall, some research has already been provided with fresh funds, new funds for 1979, and that research will continue. This is just a question of using the remainder of the old 1977 money. So it will be an open question for everyone.

I appreciate the courtesy accorded me here. I learned of the interest in this matter just a short time ago of the Senator from California, who is present in the Chamber, and he and I have chatted about it a little. Does the Senator wish to say something?

Mr. HAYAKAWA. No.

Mr. STENNIS. All right.

I say to the Members of the body that is all I know about the facts. Unless there are some questions with reference to the matter, I shall yield.

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

Mr. STENNIS. I yield to the Senator from Washington.

Mr. MAGNUSON. I had to leave the Chamber for just a few minutes.

Mr. STENNIS. The Senator from Washington is really in charge of this bill, and I yield the floor to him. I am delighted to yield to him.

Mr. MAGNUSON. I understand in the supplemental bill that came back from the House of Representatives, which the Senator motioned to bring up, there are three items in the bill of some importance. Of the three items involved, the Senate put in $18 million on Amtrak to keep it going for a period of time until we could look at the whole system. The original House figure was zero.

The House voted to instruct their conferees to accept our figure. That would keep everything in almost status quo until about the first part of March, or the last of February. Then we will have to take another look at it when they come in with their overall plan on different routes and what they intend to do.

The other item was the $200 million which involved emergency fuel payments to people in different sections of the country.

There was a great deal of argument on how you do it, whether you guarantee a loan to winterize a home or whether you pay for fuel costs. The $200 million is for low-income people. Somebody would do it for them, and they would get paid for it.

The other item was the B-1 to which the Senator from Mississippi has been directing himself here in the Chamber.

So the Senate is in the position to accept the $18 million on the Amtrak. The House has also accepted the $200 million that we put in on the fuel assistance. The only matter now not in dispute but in controversy is that the House voted to go ahead with the B-1, and I understand that means there are two airplanes involved. Is that correct?

Mr. STENNIS. Three.

Mr. MAGNUSON. Three airplanes involved.

The Senator from Mississippi did not mention this, but the Senate committee had a rollcall vote on this matter.

Mr. STENNIS. Yes.

Mr. MAGNUSON. We voted. There were two votes, I think.

Mr. STENNIS. Yes, that is right.

Mr. MAGNUSON. Two votes to go ahead with the B-1.

Mr. STENNIS. Yes.

Mr. MAGNUSON. And this refers to them. I forget the exact figure. I shall put it in the RECORD.

Mr. STENNIS. As to these funds the Senator is correct. The vote was 21, I think, to 2.

Mr. MAGNUSON. Voted to defer the three planes.

Mr. STENNIS. Nos. 5, 6, and 7, if the Senator will yield, just so the record will show.

Mr. MAGNUSON. That is right, 5, 6, and 7.

So the Senator from Mississippi is propounding the question. What should the Senate do now that the House of Representatives has voted? I understand that he is suggesting, which I agree with, that we stick to our position because of that overwhelming vote of the people who know a little more about it, I hope, in the Appropriations Committee, having hearings back and forth, and everything else—to stick to the Senate's position that we do not accept their particular version or their conclusion on the B-1, is that correct?

Mr. STENNIS. The Senator is correct. He stated the facts correctly and it is well said.

So, Mr. President, while this is a little repetitious——

Mr. MAGNUSON. Now, I want to ask a question because everybody will be asking me and you and the Senator from California, what is your opinion and when are we going to vote on this or what we do about it? What Senate action will be taken?

Mr. STENNIS. The best prospects that I know of, and I know about the prospective planning——

Mr. MAGNUSON. I know the Senator has worked hard today to try to find out.

Mr. STENNIS. The week after next, you see. We will convene here on the 19th or the 20th. There will be time for notice, and everyone can be here, and that is what the leadership now has in mind. But that is a tentative date.

Mr. MAGNUSON. May I make one other observation?

Mr. STENNIS. Yes, I yield gladly.

Mr. MAGNUSON. Because there are some people who ask can we wait that long.

Mr. STENNIS. Yes.

Mr. MAGNUSON. If the supplemental—and I went through it with a fine tooth comb, and the Senator from Mississippi did—there is really nothing—well, everything is an urgency for people who want extra money, and I understand that, but there is really nothing Earth shaking about any urgency respecting any part of the bill except the Vietnam refugee problem. That is the only one on which there is apparently, from all the testimony we heard, some urgency. So delaying it for this period of time, other than that particular problem, I do not think is going to make a great deal of difference.

Mr. STENNIS. Yes.

Mr. MAGNUSON. I wanted to sustain the Senator from Mississippi in that request.

Mr. STENNIS. Well, that is a very valuable contribution.

Mr. MAGNUSON. Yes.

Mr. STENNIS. Mr. President, at this point—and then I will be glad to——

Mr. MAGNUSON. But there is that refugee problem in there that is of some importance.

Mr. STENNIS. There are only a few days, and I want to yield to the Senator from California now, if he wishes, but at this point in the RECORD will be a good place to state that when we do consider disposition of this B-1 matter, I will move that the Senate further insist on its amendment numbered 43—that is the amendment that relates to the rescission of the funds for the B-1—and I will request a conference with the House thereon and request that the Chair be authorized to appoint conferees on the part of the Senate.

So in that way everything here will have been disposed of.

I am glad to yield to the Senator from California. May we have it quiet so that the Senator can be heard and understood.

Mr. HAYAKAWA. Mr. President, I thank the distinguished Senator from Mississippi. I look forward to the decision and completion of our deliberations on this matter. My staff has been alerted to this discussion, and we shall take part in the discussion. I thank the Senator very much.

Mr. STENNIS. I thank the Senator very much.

So, Mr. President, the matter will be held in abeyance, as I understand the parliamentary situation.

We are not sending it back to the House because we have not finished it. There was not time for the membership to be given proper notice, travel time, and so forth. So it is being held here for that purpose.

When it is disposed of, as to the B-1 question, if it is voted to go to conference,

it will go and, if not, it will not go. So, Mr. President, if there are no other questions I yield the floor.

THE B–1 BOMBER

Mr. DOLE. Mr. President, I do not intend to stand before you today to present new supporting evidence on the B–1 bomber issue. The supporting factual evidence has long been presented. My intent, Mr. President, is to remind my colleagues of the importance of the B–1 bomber, especially in light of recent reports stating the U.S. declining strategic position and limited strategic weapons.

Mr. President, the Senator from Kansas believes the United States is truly at a crossroads with respect to national defense. The factual arguments that have been made before us many times bear this out.

MAINTAINING THE TRIAD DEFENSE

As most of us realize, our Nation's deterrent strategy against attack is based upon the triad concept consisting of land-based ballistic missiles, sea-launched ballistic missiles, and manned strategic bombers. Each of these components supports and complements the others in an attempt to complicate the enemy's defense planning and reduce his ability to launch a successful strike against our country. If we diminish or eliminate any one leg of this three prong defense system, we place a greater burden on the other two and increase our vulnerability.

A WEAK TRIAD

Mr. President, we have repeatedly been warned by experts that our Minuteman missile force is becoming increasingly vulnerable to the improved Soviet first-strike capability. Some, however, will respond to this concern by arguing that we have the MX missile. However, the MX project is years away from production and will be extremely costly.

Let us take a look at our submarine-launched ballistic missile. Recently, it was reported that the delivery of the first of our Trident submarines will be delayed until 1981. It has been estimated that it is presently at a $400 million cost overrun.

Then we have the manned bomber, the B–1, whose fate will be determined by this congressional body. Far from being an outmoded weapon system, the B–1 remains a vital, reliable component of our overall defense network. Of the three components of the triad, the manned bomber remains the most flexible and controllable system. In the ever-increasing nuclear environment, these qualities are particularly important.

WHY WE NEED THE B–1 BOMBER

In the final analysis, a manned bomber is the most accurate, proven delivery system. In fact, it is the only U.S. weapon system that has actually been used under combat conditions, where it demonstrated its effectiveness and capabilities. Mr. President, the Senator from Kansas believes it is vital that the manned bomber be retained as a principle component.

B–1 AND SALT II

Mr. President, the question as to why we should revive the B–1 program can be answered very easily in light of the uncertainties surrouunding the SALT II negotiations. Mr. President, the SALT II talks are not doing very well. Everyday we read in the newspapers that the negotiations are not in favor of the United States. Why should we further jeopardize our position in the SALT talks by discontinuing the B–1 program?

Mr. President, because we simply do not know what will happen to the strategic balance of power in the coming years, the Senator from Kansas believes that we must insure, for the American people, an effective national defense—the B–1 bomber can help provide that capability.

NATIONAL DEFENSE

Mr. President, this is an issue that goes beyond simple considerations of costs or special interest—it is an issue that bears directly on national survival.

My own reasoning, and that of many of my colleageus, leads to the conclusion that our defense interests are best served by maintaining and updating our manned bomber system.

Once again, as in the past, the Senator from Kansas strongly supports the revival and maintenance of the B–1 bomber project.

ORDER OF BUSINESS

The PRESIDING OFFICER. Is there any further matter to be brought before the Senate?

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

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

ORDER TO HOLD H.R. 8212 AT THE DESK

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that H.R. 8212 a private relief bill be held at the desk pending further disposition, with the understanding that the bill will be referred to the Finance Committee at the request of the chairman, inasmuch as Senator LONG is unavailable at the moment to clear the unanimous-consent request.

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

ORDER FOR ADJOURNMENT FROM TOMORROW UNTIL 11 A.M., MONDAY, DECEMBER 12, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, after the two leaders or their designees have been recognized under the standing order, the Senate stand in adjournment until the hour of 11 o'clock a.m., Monday, December 12, 1977.

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

ORDER PERMITTING INTRODUCTION OF BILLS AND RESOLUTIONS AND SUBMISSION OF STATEMENTS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on tomorrow, Senators may have between the time the Senate convenes at 1 o'clock p.m. and 5 o'clock p.m. to introduce bills and resolutions, and submit statements for the RECORD.

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

ORDER THAT NO BUSINESS BE TRANSACTED ON TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that no business be transacted on tomorrow.

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

ORDER FOR PRO FORMA SESSION ON DECEMBER 12, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that when the Senate meets on December 12, 1977, it be a pro forma session only, with no speeches and no business, but that it be strictly a pro forma session, which means that it would last just long enough for the Chair to convene the Senate and adjourn it.

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

ORDER FOR ADJOURNMENT FROM DECEMBER 12, 1977, UNTIL 11 A.M., THURSDAY, DECEMBER 15, 1977

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that on December 12, 1977, at the conclusion of the pro forma session, the Senate stand in adjournment until the hour of 11 o'clock a.m., Thursday, December 15, 1977.

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

AUTHORITY FOR THE SECRETARY OF THE SENATE TO TAKE CERTAIN ACTIONS WHILE SENATE IS NOT IN SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the period from the instant date until 11 o'clock a.m., December 15, 1977, the Secretary of the Senate be authorized to receive messages from the House of Representatives and from the President of the United States.

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

AUTHORITY FOR THE VICE PRESIDENT, THE PRESIDENT OF THE SENATE PRO TEMPORE, THE ACTING PRESIDENT PRO TEMPORE, AND THE DEPUTY PRESIDENT PRO TEMPORE TO SIGN BILLS AND JOINT RESOLUTIONS WHILE THE SENATE IS NOT IN SESSION

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that during the

period extending from the instant date until 11 o'clock a.m., Thursday, December 15, 1977, the Vice President of the United States, the President of the Senate pro tempore, the Acting President pro tempore, and the Deputy President pro tempore be authorized to sign all duly enrolled bills and joint resolutions.

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

AUTHORIZATION FOR SUBMISSION OF CONFERENCE REPORTS FOR PRINTING

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that conference reports may be submitted for printing at any time during the period extending from the close of business today until 11 a.m. on December 15, 1977.

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

Mr. ROBERT C. BYRD. Mr. President, this means that there will be no votes tomorrow, no transaction of business tomorrow. There will be no votes on Monday, December 12, no transaction of business whatsoever on Monday, December 12; no speeches, no introduction of bills, resolutions, petitions, or memorials, on December 12.

It means that on Thursday, December 15, business may be transacted and conference reports may be acted upon. It may very well be that the social security conference report will be ready for action at that time, the conference report on legal services may be ready for action at that time, and there may be various and sundry other conference reports that could be acted on Thursday, December 15. Quite possibly, the matter affecting the B-1 could be acted upon on Thursday, December 15.

The leadership on both sides of the aisle will attempt to inform Senators on our respective sides as to that prospect if we are able to have that information available to us in time. In any event, Senators should be prepared to be present for rollcall votes on December 15.

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

Mr. ROBERT C. BYRD. Yes, I yield.

Mr. HAYAKAWA. It was my understanding that the B-1 bomber matter is not to be taken up until after December 19.

Mr. ROBERT C. BYRD. That was the earlier information that was given out. I think I probably am partially responsible for that information having been given out. However, I think that the record should show that it will be quite possible that we will dispose of that matter on December 15. I think our colleagues should be so informed.

Mr. HAYAKAWA. I thank the majority leader.

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

AUTHORIZATION FOR COMMITTEES TO FILE REPORTS TOMORROW

Mr. ROBERT C. BYRD. Mr. President, I ask unanimous consent that committees may be authorized to file reports during the hours between 1 p.m. and 5 p.m. on tomorrow.

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

Mr. ROBERT C. BYRD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

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

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

ADJOURNMENT TO 1 P.M. TOMORROW

Mr. ROBERT C. BYRD. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in adjournment until the hour of 1 p.m. on tomorrow.

The motion was agreed to; and, at 6:55 p.m., the Senate adjourned until tomorrow, Thursday, December 8, 1977, at 1 p.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 7, 1977:

IN THE COAST GUARD

Coast Guard nominations beginning Robert F. Meisheimer, to be commander, and ending Kent H. Williams, to be commander, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on November 4, 1977.

IN THE NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

National Oceanic and Atmospheric Administration nominations beginning Archibald J. Patrick, to be captain, and ending Jeffrey W. Greene, to be ensign, which nominations were received by the Senate on November 21, 1977, and appeared in the CONGRESSIONAL RECORD on November 22, 1977.

HOUSE OF REPRESENTATIVES—*Wednesday, December 7, 1977*

The House met at 10 o'clock a.m.

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

By this shall all men know that you are My disciples, if you have love for one another.—John 13: 35.

Eternal Father, make us conscious of Thy presence in the duties of this day that our work done may be done as well as we can do it. When we are weak and weary, strengthen us. When we are discouraged, encourage us. When we falter, steady us. When we become anxious and troubled about many things, grant us Thy peace. When we would give way to ill will, lift us up to the high plane of good will. Thus may we live from day to day working and worshipping to make our Nation a better nation and our world a better world where people can live together humbly, peacefully, justly, and with love in every heart. Amen.

CALL OF THE HOUSE

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

The SPEAKER. Evidently a quorum is not present.

Mr. FOLEY. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The call was taken by electronic device, and the following Members failed to respond:

[Roll No. 766]

Addabbo	Dent	Kasten
Alexander	Dickinson	Kastenmeier
Ambro	Diggs	Kelly
Andrews, N.C.	Dingell	Koch
Armstrong	Downey	Krueger
Ashley	Drinan	LaFalce
Badillo	Edwards, Ala.	Le Fante
Barnard	English	Leggett
Beilenson	Erlenborn	Lent
Blanchard	Ertel	Lundine
Bolling	Evans, Ga.	McCloskey
Bonker	Fenwick	McDade
Broyhill	Fithian	McDonald
Buchanan	Ford, Mich.	McHugh
Burke, Calif.	Ford, Tenn.	Madigan
Burton, John	Forsythe	Markey
Burton, Phillip	Frey	Marriott
Byron	Fuqua	Mathis
Cavanaugh	Gammage	Mattox
Chisholm	Gibbons	Mazzoli
Clausen, Don H.	Goldwater	Meeds
Clay	Hall	Metcalfe
Conyers	Hammer-schmidt	Mikulski
Cornwell	Harrington	Milford
Cotter	Harsha	Miller, Calif.
Crane	Hawkins	Moffett
Cunningham	Hillis	Mollohan
Danielson	Holland	Moss
Davis	Ireland	Murphy, N.Y.
Dellums	Johnson, Calif.	Nichols
Patterson	Sawyer	Nolan
Pattison	Scheuer	Vander Jagt
Pike	Sebelius	Walker
Quayle	Shipley	Waxman
Quie	Skubitz	Weaver
Quillen	Solarz	Whalen
Rahall	Staggers	Whitten
Railsback	Steed	Wilson, Bob
Rangel	Stockman	Wilson, C. H.
Roncalio	Symms	Wilson, Tex.
Rosenthal	Teague	Wirth
Rostenkowski	Thompson	Wolff
Ruppe	Traxler	Wright
Russo	Tucker	Young, Alaska
Santini	Udall	Zablocki
Sarasin	Ullman	

The SPEAKER pro tempore (Mr. KAZEN). On this rollcall 297 Members have recorded their presence by electronic device, a quorum.

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

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3722) entitled "An act to amend the Securities Exchange Act of 1934 to authorize appropriations for the Securities and Exchange Commission for fiscal year 1978."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 305) entitled "An act to amend the Securities Exchange Act of 1934 to require issuers of securities registered pursuant to section 12 of such act to maintain accurate records, to prohibit certain bribes, and for other purposes."

GOSHEN, IND., CHAMBER OF COMMERCE TO HEAR GERALD R. FORD ON CHAMBER'S 25TH ANNIVERSARY

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

Mr. BRADEMAS. Mr. Speaker, this evening a most significant event takes place in the district I am privileged to represent in Congress, and I deeply regret that the heavy legislative schedule will prevent my being on hand.

The event of which I speak is the 25th anniversary of the Goshen, Ind., Chamber of Commerce which will be marked by the visit of a distinguished guest of honor, our former colleague and the former President of the United States, the Honorable Gerald R. Ford.

During its two-score plus one years, the Goshen Chamber has been a vigorous voice for local economic development and civil responsibility and I am happy to salute its members, its past presidents, and its current executive vice president, Clarence R. Beller, on this occasion.

As one of the many Members of the House who served with Gerald Ford during the time when he was a Member of this body, I count it my good fortune to have known this outstanding American first, while in the House, as "Jerry", and then as "Mr. Vice President" and, finally, as "Mr. President."

Mr. Speaker, I think the Nation will always be grateful for the firm way in which Gerald Ford assumed the Presidency of the United States at a moment of immense travail and anguish for the American people.

He brought a much-needed sense of stability in a time of trouble and for this achievement alone we must always be thankful to him.

Mr. Speaker, I am delighted that President Ford will be in Goshen this evening to help make the anniversary celebration a most memorable one.

TAKE ACTION ON SOCIAL SECURITY BEFORE END OF YEAR

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

Mr. BURKE of Massachusetts. Mr. Speaker, I take this opportunity to report to the House the action of the House conferees on social security. At the present time the social security conferees, being chaired by the distinguished gentleman from Louisiana has recessed the committee, subject to a call of the Chair.

I urge all Members of this House to contact all of the conferees to urge that action be taken before the end of this year. In 1978 it is possible that the disability fund, the D.I. funds will run out. If that happens, there will be complete chaos in this country as far as people receiving their total disability checks. It is important that the conferees complete their work and have action taken before the first of the year.

PERSONAL EXPLANATION

Mrs. FENWICK. Mr. Speaker, I take less than a minute to say that I regret very much that I was present in the Chamber at the time of the quorum call but I was involved in discussion of legislative matters with my colleagues and failed to notice the end of the time had come. I just want to register my presence.

CONFERENCE REPORT ON H.R. 9418, HEALTH PROFESSIONS EDUCATION AMENDMENTS OF 1977

Mr. ROGERS. Mr. Speaker, I call up the conference report on the bill (H.R. 9418) to amend the Public Health Service Act to require increases in the enrollment of third-year medical students as a condition to medical schools' receiving capitation grants under such act, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see Proceedings of the House of December 1, 1977.)

Mr. ROGERS (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the statement.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida (Mr. ROGERS) is recognized for 30 minutes, and the gentleman from Kentucky (Mr. CARTER) is recognized for 30 minutes.

The Chair recognizes the gentleman from Florida.

Mr. ROGERS. Mr. Speaker, a little more than a year ago, after the adjournment of the 94th Congress, President Ford signed into law the Health Professions Educational Assistance Act of 1976, a measure which was the product of nearly 3 years of often heated debate as to the proper direction of Federal health manpower policy. The conference report to accompany H.R. 9418 addresses several issues which are outgrowths of 1 year's experience in implementing the 1976 act.

Under existing law, in order to be eligible for capitation support—a statutory amount of money per student per year—schools of medicine must reserve positions in their third year classes in each of school years 1978–79, 1979–80, and 1980–81 for an identified pool of eligible transfer students. A number of positions equal to the number of U.S. citizens who have successfully completed a 2-year special educational program in the United States or who had enrolled in foreign medical schools prior to October 12, 1976, had completed 2 years of study in such schools, and had passed part I of the National Board of Medical Examiners' examination is to be equitably apportioned among schools of medicine receiving capitaton. Schools of medicine are prohibited from applying any academic or place of residence criteria to prospective applicants from the pool.

The conference report would replace the requirement of existing law with a new requirement that schools of medicine, in order to be eligible for capitation support, increase their third-year enrollment by 5 percent in school year 1978–79. It would eliminate any overt reference to an identifiable pool of eligible students or to admission criteria, but would prohibit schools from counting non-U.S. citizens, transfer students from schools of osteopathy and dentistry and from schools of medicine which have a place for such students in the third year, and U.S. citizens who enrolled in foreign medical schools after October 12, 1976, in order to meet the required increase. Any school which chooses not to participate in the capitation program in fiscal year 1978 would be ineligible to receive capitation support in fiscal years 1979 and 1980.

The proposed legislation is intended to meet the objections of many schools of medicine that existing law infringes on their academic freedom to apply their own admissions criteria in the selection of students. By requiring an enrollment increase in the third year, it also preserves a reasonable opportunity for those individuals to whom the Congress made a commitment under the 1976 act to complete their medical education in the United States.

Mr. Speaker, during our deliberations on this highly controversial issue, it became apparent to me that we need to reexamine the concept of institutional support for schools of medicine and the validity of the requirements under the law which schools of medicine must fulfill in order to be eligible for capitation support.

The requirement with respect to U.S. foreign medical students was but one of two requirements of the 1976 legislation for medical schools that wish to receive

capitation support. The second capitation quid pro quo was based on the well-established need for more physicians in the primary care specialties of family medicine, general internal medicine, and general pediatrics and fewer numbers of most subspecialists and nonprimary care specialists. Under the existing law, each medical school receiving capitation support would be required by school year 1980–81 to have at least 50 percent of its filled first year residency positions in the three primary care specialties, unless such percentage were met on a national basis.

The formula under which the percentage was to be determined was based on information hastily gathered by the Association of American Medical Colleges at the request of the Subcommittee on Health and the Environment. Under the formula which was developed, the number of students who drop out of primary care after the first year of training in order to enter a nonprimary care specialty are not to be counted as persons filling first year residency positions. Using the AAMC data and the formula, the percentage of filled first year primary care positions was calculated at 42 percent. For this reason, the House conferees in 1976 rejected as too difficult to attain a request of HEW representatives during conference that all primary care trainees who accept fellowships for subspecialty training be deducted from the number of first year primary care positions.

Information received from the Department of Health, Education, and Welfare indicates that the AAMC data although submitted in completely good faith was not accurate and that, under the existing formula, the percentage now exceeds the 1980 goal of 50 percent. It now appears that much more can be done to accomplish the goal that 50 percent of all residents be trained in—and only in—primary care.

Next year, I intend to consider legislation amending the formula by which primary care positions are determined, as well as possible alternative capitation requirements.

The conference report contains three other amendments to provisions of the 1976 act, all of which were contained in the House-passed bill.

First, it would exempt schools of dentistry which in school year 1977–78 had less than six filled first year positions in dental specialty programs from the requirement that schools of dentistry, in order to be eligible for capitation support provide assurances that 70 percent of all new dental specialty positions be in general dentistry or pedodontics. This revision is necessary if emerging schools of dentistry are to develop strong, well-rounded curriculums.

Second, it would restore the authority under the Public Health Services Act to award public health traineeships to individuals not enrolled in schools of public health. Prior to the enactment of the 1976 act, section 302 of the Public Health Service Act authorized the Secretary of Health, Education, and Welfare to make grants to schools of public health and to other public and nonprofit private institutions offering graduate or specialized training in public health for the purpose of providing traineeships to individuals receiving such training. Under the old authority, for example, preventive medicine and dentistry residency programs, nutrition and environmental health training programs, and graduate programs in health planning, hospital administration and health administration were eligible to receive such grants, whether or not they were located in schools of public health. The 1976 act provided separate authority for graduate programs in health planning, hospital administration and health administration and, inadvertently limited the authority for public health traineeships to schools of public health.

The proposed legislation would simply restore the authority to award grants to programs not in schools of public health, specify that individuals being trained in preventive medicine including maternal and child health and dentistry programs would be eligible for traineeships, and increase the authorization of appropriations for public health traineeships by $1 million in each of fiscal years 1979 and 1980.

Third, H.R. 9418 contains several minor and technical amendments to the health professions guaranteed student loan program estabilshed by the 1976 act. These amendments were requested by the Office of Education and, for the most part, are intended to conform the health professions loan program to the Higher Education Acts' guaranteed student loan program. According to the Office of Education, these amendments are necessary if the authority is to be properly implemented.

The proposed legislation would also require the Secretary of Health, Education, and Welfare to undertake study of the need to prohibit, by statute, medical, osteopathic, and nursing schools from discriminating against an applicant because of his or her views on abortion or sterlization. He is to report the results of this study to the Committee on Interstate and Foreign Commerce and the Committee on Human Resources by March 1, 1978.

It would authorize the disbursing agent of Saint Elizabeths Hospital to invest funds deposited in the U.S. Treasury on behalf of patients; and extend the period within which health systems agencies and State health planning and development agencies must meet HEW standards for full designation for an additional year.

Mr. Speaker, the conference agreement reflects a fair and thoughtful balancing of the House and Senate positions. It maintains the intent of the House-passed legislation, and it deserves the support of every Member of this body.

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

Mr. ROGERS. I yield to the gentleman from Virginia.

Mr. SATTERFIELD. Reading the conference report, on page 11 it says,

> In the view of the managers, this enrollment increase requirement in no way impinges on the academic freedom of schools of medicine to apply their own admission criteria . . ."

I wonder if the gentleman might explain what is meant by that statement.

Mr. ROGERS. Well, I think that in other words, we are asking that they increase their enrollment a certain percentage in the third year. Their admission policies are left up to the schools.

Mr. SATTERFIELD. Will the gentleman yield further?

Mr. ROGERS. I yield.

Mr. SATTERFIELD. I invite the gentleman's attention to language on the bottom of page 10, where it says,

> The conferees do not intend the additional waiver authority to be used for schools who simply apply their normal admissions standards and find no student eligible to be counted can meet such standards.

In other words, reading those two together, it would seem to me that we are saying that if a school applies its normal admission standards and there are not enough people available to fill the quota, then the school has to lower those standards in order to meet the quota. Am I correct?

Mr. ROGERS. What we are saying there is that we do not expect them to manufacture unusual conditions to try to avoid the requirement of the law to increase 5 percent in the third year. For example, if a school attempted to apply its first year requirements to the third year class, that would, in my view, not constitute a basis for a waiver.

Mr. SATTERFIELD. If they apply their normal admission standards, I would not think that would be unusual action.

Mr. ROGERS. It depends. And, also, the normal admission might not even include a 5-percent increase.

Mr. SATTERFIELD. That is the point. In other words, you make the 5-percent quota, and if your normal admission standards are too stringent to provide that 5 percent, you must fulfill your quota by reducing your standards?

Mr. ROGERS. No. What we are saying is that we expect a group of students who qualify to be considered. They must be the normal, fair standards of the school. But we do not expect them to manufacture unusual standards or make a standard so high that they are able to say that, "We are not able to take 5 percent."

Mr. SATTERFIELD. Will the gentleman yield further?

Mr. ROGERS. I yield to the gentleman.

Mr. SATTERFIELD. I invite the gentleman's attention to the waiver provision. According to the report, it says that the Secretary may grant a waiver if he determines that the school has made a good-faith effort to meet the requirements but there are not enough students eligible to be counted.

I am a little puzzled by the meaning of that, in light of the two provisions I just read.

Mr. ROGERS. This is what we are trying to say—and I think the language is put in the statement of the managers to bear that out—that, if they make a good-faith effort in accepting the student under the 5-percent requirement, that is

what is required. If there is an insufficient number of students eligible to be counted, then—and only then—would this particular provision attach. There are two additional bases for waiver: Threatened loss of accreditation and insufficient size of population in order to provide high quality clinical training.

If it is not an artificial requirement, if it is a good-faith effort and then they simply cannot get the students, then they are entitled to a waiver.

Mr. SATTERFIELD. Mr. Speaker, will the gentleman yield further?

Mr. ROGERS. I yield to the gentleman from Virginia.

Mr. SATTERFIELD. Then in reading this report, I am to conclude that a school which applies its normal admission standards that it has applied through the years would not be making a good-faith effort?

Mr. ROGERS. No. Normal admission standards might be that they do not admit students in their third year.

If they make a good-faith effort under the law, a good-faith effort but the total group eligible to be counted is not sufficient, and thus a school simply cannot get enough students, it would be entitled to the waiver.

Mr. SATTERFIELD. You emphasize the word "normally," am I to understand then that the word "normal" really does not apply to academic standards.

Mr. ROGERS. It could, because if they make an artificial academic standard in order to simply avoid the requirement they also would be blocking what we are trying to do, to get them to increase class size in the third year by 5 percent.

Mr. SATTERFIELD. Would a school, then, which applies its normal academic admission standards which it has applied through the years be exercising good faith?

Mr. ROGERS. If it is not blocking the 5 percent increase.

Mr. SATTERFIELD. In other words, the 5 percent controls, and if you cannot reach the 5 percent with your normal academic standards, you have to reduce them in order to reach the quota?

Mr. ROGERS. Not necessarily. If they make a good-faith effort but there is an insufficient pool, they are entitled to a waiver.

Mr. SATTERFIELD. I thank the gentleman.

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

Mr. ROGERS. I yield to the gentleman from New York.

Mr. BIAGGI. I thank the gentleman for yielding.

Mr. Speaker, on this point, if I recall correctly, we enacted some legislation not too long ago which would impose upon the medical schools the responsibility or the obligation to admit American students who in their third year were studying in foreign schools.

I would like to ask, why at this point have we receded?

Mr. ROGERS. Mr. Speaker, the original health manpower law—the 1976 law—included the provision the gentleman described. The House passed legislation to change that, as the gentleman may recall. This change has now gone to conference, and this is the agreement that has come back.

The new requirement is that for one year the schools will agree to an additional 5 percent increase in enrollment in their third year. This was the change in the provision that the House passed. We actually passed it with the provision that they would agree to an increase for 2 years.

The Senate amendment repealed the provision. This is a compromise. It provides that they must agree to increase third year enrollment by at least 5 percent for 1 year in order to receive capitation support. That was the compromise that was worked out in the conference.

Mr. BIAGGI. To begin with, the whole legislative process in this matter has a tainted quality about it, as a result of what we have witnessed and what we have read in the press relating to the conduct of certain medical schools which refused to accept Federal funds, saying that they would refuse to accede to these equitable conditions that were created and were made necessary as a result of their own discriminatory practices, and denial of opportunity to deserving students that led to the inadequacies of medical schools in our Nation.

Let us deal with this situation. As I see the problem and if I am correct in what the gentleman is saying, the medical schools, in order to qualify for Federal funding, must make a good-faith effort.

Mr. ROGERS. For capitation.

Mr. BIAGGI. Yes. For capitation, the medical schools are obligated to make a good-faith effort to permit the acceptance of 5 percent.

Mr. ROGERS. As an increase in the third year.

Mr. BIAGGI. As an increase in admissions in the third year of those American students who are in foreign medical schools?

Mr. ROGERS. Most would be American students who have trained for 2 years in foreign medical school, that is correct.

Mr. BIAGGI. Proceeding further, the previous speaker raised a most critical point referring to the schools a "good-faith effort."

Let me suggest this: If a good-faith effort is made, there is no question that 5 percent would be obtained. I suggest that 10 percent might be obtained, that 15 percent might be obtained, or that 20 percent might be obtained, because we have countless numbers of Americans in foreign medical schools who are desirous of coming into American medical schools.

Now, the question is this: What represents good faith? What standards will be used? Will a good academic rating of the student in the foreign medical school be considered meritorious?

This is a question that leaves a very uncertain situation, at least in my mind.

Mr. ROGERS. Mr. Speaker, one of the objections that the medical schools raised about the original law was that it constituted an invasion of their academic freedom, and that in effect the Federal Government was telling them what students they must accept. Thus, all references to academic standards are removed from the original legislation. There are many qualified young Americans who had to go overseas because they could not get into American medical schools. I agree that is true, and that is why we passed the original act.

There has been great consternation among some of the medical schools because they felt the law in effect told them what students they had to admit. In the House, we tried to accommodate them by changing the requirement to an enrollment increase of 6 percent in each of which would have created about 900 slots for qualified students. We allow schools to apply their own admission criteria.

That is what we were saying in the discussion here. We say that if they make a good-faith effort and if they do not put up artificial barriers for those students to come in, then they will have made a good-faith effort, and if an insufficient number of eligible students are available such that a school could not meet the 5 percent increase, they would be entitled to a waiver.

I think that is a fair compromise, because the Senate took the position that the entire provision should be repealed.

Mr. BIAGGI. Mr. Speaker, will the gentleman yield further on that point?

Mr. ROGERS. Yes, I yield to the gentleman from New York.

Mr. BIAGGI. Mr. Speaker, I am sure it is a fair compromise, and I respect the judgment of the gentleman from Florida, the chairman of the subcommittee, for his work and his interest in this field.

But the question in my mind is this: What standards does the gentleman contemplate for a medical school, especially in the light of their basic resistance? Can they say that, "These people do not measure up, and hence we are not obliged to take Americans back, and we will take the 5 percent from whatever source we choose?"

Mr. ROGERS. Well, that would not necessarily happen, because there are only about 130 students who are going to 2-year American schools or schools in which the third-year enrollment is less than the enrollment in the first year. So by elimination, the bulk of the positions will have to be filled by Americans who have gone overseas.

Mr. BIAGGI. Mr. Speaker, that response is critical.

So I understand what the gentleman says; and for the record, 130 students would be the most they could take; is that correct?

Mr. ROGERS. From all the available information, that number would be the most they could take.

Mr. BIAGGI. The most they could take, and they, of necessity, must be Americans from foreign medical schools; is that correct?

Mr. ROGERS. That would be my assessment.

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

Mr. ROGERS. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, I do not know of any more effective Member of

Congress than my colleague, the gentleman from Florida (Mr. ROGERS).

Mr. ROGERS. I have the same feeling about the gentleman from Mississippi (Mr. WHITTEN).

Mr. WHITTEN. Perhaps we can get together.

Having listened to the answers not only on this issue but on other questions here, it brings us back to something like the saccharin issue which we had here. If the gentleman will recall, Congress had to put a restriction on the Food and Drug Administration to keep them from prohibiting the use of saccharin as a food additive. Then the gentleman got busy on the subject.

Mr. ROGERS. The gentleman must remember that that is not exactly true. The Health Subcommittee already had introduced legislation on the subject. Someone from the Appropriations Subcommittee started to get involved in the legislative side of the issue which was all right with us. We did not object to that.

Mr. WHITTEN. At any rate, we got action when the Congress acted.

Mr. ROGERS. We gave the gentleman action. The Committee on Interstate and Foreign Commerce acted on the issue.

Mr. WHITTEN. After the Congress acted.

Mr. ROGERS. We had already begun to act.

Mr. WHITTEN. Now the gentleman is changing the subject.

I asked a simple question: Who will determine whether it is good faith or not?

Mr. ROGERS. The Secretary of HEW.

Mr. WHITTEN. Which leaves it in the hands of the Secretary of HEW to do whatever he pleases; is that correct?

Mr. ROGERS. No.

Mr. WHITTEN. Is it not based on his determination?

Mr. ROGERS. Not entirely.

Mr. WHITTEN. All right, what is the limitation?

Mr. ROGERS. The schools must show that they have made a good faith effort and that an insufficient number of eligible students are available.

The SPEAKER pro tempore. The Chair would ask the gentlemen to speak one at a time, please.

Mr. ROGERS. The schools have to show that they made a good faith effort.

Mr. WHITTEN. To whom do they have to show it? Who makes the determination?

Mr. ROGERS. The Secretary.

Mr. WHITTEN. So the Secretary, in the final analysis, can say, "Yes" in this case and "No" in that case; and we have no guidelines pursuant to which he must act; is that correct?

Mr. ROGERS. Who else is to determine it? Is a school to determine whether it has made a good faith effort?

Mr. WHITTEN. That is the point.

After listening to the gentleman's answers, I want to get to the crux of the matter, which goes to what my friend, the gentleman from New York (Mr. BIAGGI) was talking about.

The gentleman says that the Secretary will determine it to suit himself?

Mr. ROGERS. This has always been done, as the gentleman knows. Who else would you have making a determination as to whether an entity meets eligibility requirements for Federal funds? I would think the gentleman would want someone to make a determination where Federal funds are being expended that they are being expended in accordance with the law.

Mr. WHITTEN. I would want the record to show who makes the determination. The gentleman has finally said who does.

Mr. ROGERS. Everyone knew that. No one said the schools made the determination as to good faith.

Mr. WHITTEN. As the gentleman understands, for about 15 years we have been dealing with these matters having to do with the Department of Health, Education, and Welfare. We have learned that they frequently take unto themselves the right to decide whatever they wish to base on their own determination, of "good faith" and that is final.

Mr. ROGERS. I would agree with the gentleman if he would say that we have to continually insure that HEW does what the law says and what the intent of Congress is. We will have to make sure that they understand what "good faith" means, in case an insufficient number of students is eligible to be counted.

Mr. WHITTEN. That would at least give us some guidelines.

Mr. ROGERS. With respect to good faith, in other words, we do not expect them to use unusual policies or policies that they have not used heretofore, artificial policies, to try to bar compliance with the law. The waiver provision is very clear as to what criteria must be used in making the determination.

Mr. WHITTEN. The gentleman is saying what we do not count on their doing. Would the gentleman tell us what we do count on their doing?

Mr. ROGERS. To obey the law and admit 5 percent of the people who are qualified to be counted.

Mr. WHITTEN. What is the meaning of "good faith?"

Mr. ROGERS. Exactly that.

Mr. WHITTEN. Who will determine it?

Mr. ROGERS. Who else determines compliance with the law in spending Federal funds other than the responsible Federal agency?

Mr. WHITTEN. Is that good faith?

Mr. ROGERS. It is exactly that, good faith in carrying out the law.

Mr. WHITTEN. And the law is what?

Mr. ROGERS. The law is that they shall admit 5 percent of qualified students based on the admissions criteria of that particular school.

Mr. WHITTEN. So the "good faith" matter is just a come-on for doing as they wish.

Mr. ROGERS. Not at all. It is to let them out if they have made a good faith effort, and an insufficient number of eligible students are available such that the school is unable to comply.

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

Mr. ROGERS. I yield to the gentleman from Illinois.

Mr. McCLORY. Mr. Speaker, I thank the gentleman for yielding.

I am very encouraged by the provision in the conference report which would increase the number of students from foreign medical schools to be admitted during their third year, such increase to be set at 5 percent.

However, one of my constituents is having a great deal of difficulty in getting a transcript of his 2 years of foreign study. The foreign school is endeavoring to impose a requirement that he pay $2,000 for the transcript.

Is there any way by which, under this conference report or in the application of this change in the law, a student's records of study abroad can be verified without his being held up by this kind of outrageous demand from the foreign medical school?

Mr. ROGERS. I do not know that there is any way that we can insure that. We have asked the Secretary of HEW to contact the Department of State to try to see if this problem can be resolved. But I do not know whether the United States can establish policies for a medical school in a foreign country.

Mr. McCLORY. Would it not be possible for the American medical school to accept affidavits or other evidence of the studies pursued at a foreign medical school in lieu of such a transcript?

Mr. ROGERS. Certainly. I am under the impression that many of the medical schools will be looking at MCAT scores—that is, results of tests individuals took prior to applying to U.S. schools before going to foreign schools, undergraduate records, and to scores on part I of the National Board of Medical Examiners' examination. Most of the medical school representatives I have spoken with have advised me that they would be very wary of relying solely on the academic standing of a student in a foreign medical school.

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

Mr. ROGERS. I yield to the gentleman from New York.

Mr. BIAGGI. It would seem to me on this point of good faith, that that phrase that was very significantly addressed by the gentleman from Mississippi (Mr. WHITTEN) represents nothing more than an escape clause. But I just cannot envision these medical schools, four of which have refused Federal funds under the old law, because they refused to submit themselves to the conditions of the law which meant that they would be required to accept American medical students from foreign medical schools, and now we come back and say they are required to take 5 percent, but we will assume that they are operating in good faith. Now, good faith was implied in the law good faith requires them to do so, if they are a medical school. Hence I assume as a medical school they have some degree of integrity, and if that is the case, then we would have to believe that they operated in good faith prior to this dispute.

The thing that concerns me, as was touched upon by the gentleman from Mississippi (Mr. WHITTEN) is that good faith in this case could be used by the medical school as an escape from the conditions of this legislation.

Mr. ROGERS. May I say to the gentleman that this determination, the issue of determination of good faith, is not a determination that is made by the

schools. That was the point I was trying to make. For example, a school could apply first year standards to third year transfers. That would not constitute good faith in applying academic standards.

Mr. BIAGGI. This is a very critical area. Medical schools have been historically difficult insofar as those students who aspire to be doctors and I am not satisfied that they are above reproach and I am not satisfied that they are administering the admissions policy fairly, and possibly there has been policies of discrimination that has been built in over the years.

Let me ask you this question. Would the standard of performance by the American student in a foreign medical school be judged by his academic standards in that foreign medical school? Will the standards of performance determine whether or not that American student in a foreign medical school would be worthy of admission? Would that be the academic standards of that student in that foreign medical school, or would it be something else?

Mr. ROGERS. Normally they would require the applicant to have passed Part I of the National Boards. I assume they would also look at their academic records. It would be the judgment of that school as to whether that student would be enrolled unless the Secretary determines the school was trying to subvert the law. Of course, then that would be taken into consideration.

Mr. PEPPER. If my distinguished colleague and friend would yield, we are dealing here in this report with provisions for access of American students who go to medical schools abroad to medical schools in our own country.

Mr. ROGERS. In the third year.

Mr. PEPPER. Does my distinguished friend know how many American students are annually enrolled in medical schools abroad?

Mr. ROGERS. No one knows for sure, but it is probably around 1,500. It may be a little higher.

Mr. PEPPER. How many students are annually enrolled in medical schools in our own country?

Mr. ROGERS. About 16,000. That may increase some in the next few years.

Mr. PEPPER. The students who are enrolled in foreign medical schools do not get any aid at all in going to school; do they? They get no subsidies from the government, or anything?

Mr. ROGERS. Not from the Federal Government.

Mr. PEPPER. Is the number of students who are enrolled in our own schools at home adequate to meet the health needs of our country, regardless of these American students who are going to foreign medical schools?

Mr. ROGERS. We are increasing the output. As the gentleman knows, since we initiated health manpower legislation in 1963, medical school enrollment has doubled, or will have by 1979. I still think we need more physicians but there is some question. But I would agree, and I think the gentleman shares that feeling, that we do need more.

Mr. PEPPER. That is why I venture to ask the question, because our need is so vital for the services that doctors render to the people of our country. It is a rather precarious fact that we do not have enough institutions to turn out the necessary number in our own country, and I was wondering if we could not some way or another—if we are doubling the number now—double them again next year. May I have the assurance of my distinguished friend, who is so influential in this area, that we are taking the necessary steps to see to it that our own schools will provide enough doctors for the people of this country?

Mr. ROGERS. We are doing that. Existing manpower authority provides startup assistance for new schools. We have now about 124 medical schools in this country.

Mr. PEPPER. One other question: When will my friend anticipate that we will be turning out the necessary number of doctors in our own country?

Mr. ROGERS. I think it is difficult to say at what particular time. Many think we are producing enough now. There is a difference of opinion. Also it will depend on how we handle health care. If we move into a national health program, this may increase demand substantially. If we cut back on the number of alien foreign medical graduates coming into this country, that will also have an impact, because in some parts of this country 50 to 75 percent of the newly licensed doctors are alien foreign medical graduates.

Mr. PEPPER. Are our Federal programs adequate to encourage additional medical schools if we need them?

Mr. ROGERS. We feel the health manpower legislation is adequate to encourage the establishment of new schools and the increased production of physicians.

Mr. PEPPER. I just hope that my distinguished friend will make a report to this House from time to time on the progress we are making in this critical area.

Mr. ROGERS. I thank the gentleman for his extreme interest in this critical matter.

Mr. CARTER. Mr. Speaker, so many of these students actually come, I regret to say, from about three States and go through medical mills abroad and come back in and want to be admitted. Our schools in this country do not like to have those students thrust down their throats. They want the right to choose those who are qualified to train physicians.

By this legislation we are helping in that area. The schools are required to increase third year enrollment by 5 percent of the third or first year, whichever is less, of the American students who were in foreign medical schools prior to Octber 12, 1976. Personally I favor this agreement. It just goes through one year.

In addition to this, it does not take away the loan provisions from those schools who do not want to participate. My understanding is that 18 schools at one time did not want to participate, but now all of them I believe are going to.

Mr. Speaker, I strongly support this legislation.

I believe that the conference report on H.R. 9418 provides a reasonable resolution of the controversial provision of current health manpower law—regarding the transfer of U.S. foreign medical students.

The agreement we have reached represents a compromise between the concerns of the U.S. foreign medical students—and the objections of our medical schools regarding infringement on their academic freedom.

Essentially the compromise report requires a one-time enrollment increase program of 5 percent as a condition for medical schools to receive Federal capitation grants.

The language of the legislation does not include any requirements regarding academic standards—or part 1 of the Medical Board of Examinations.

Rather each medical school will be allowed to apply its own academic criteria in determining which students it will accept to meet the enrollment increase requirement.

Also the language of the bill provides that the transfer students may be placed in the second- or third-year class and both will be counted toward the school's quota.

In addition the conferees agreed to allow medical students to qualify for guaranteed student loans—even if their medical school decided not to participate in the enrollment increase program. Thus—even if the school decided to give up capitation support—its students could still be eligible for the health professions student loan program.

The conference report also includes a new waiver provision. It authorizes the Secretary of Health, Education, and Welfare to grant a waiver if he determines that the school has made a good faith effort to meet the enrollment increase requirement—but has been unable to do so solely because there is an insufficient number of eligible students to be counted.

Mr. Speaker, in addition to the waiver authority added during the conference the legislation also includes another waiver authority. It provides that the Secretary of Health, Education, and Welfare may grant a waiver—in whole or in part—to a medical school if he determines that compliance with the enrollment increase requirement would prevent the school from maintaining its accreditation—or if the school's clinical training would be significantly jeopardized.

I hope that the Secretary will give careful consideration to the impact of this enrollment increase on our medical schools' clinical training facilities when he reviews the applications for waivers.

Mr. Speaker, I would like to emphasize that while my own preference would have been to repeal the entire transfer program—we must also recognize that the Congress did pass a law last year which effectively raised the hopes of many U.S. students studying abroad. So I sympathize with those who argue that it is only fair to try to reach a compromise on this issue.

I believe that this conference report does provide the best compromise available—given the alternatives before us.

There are several other provisions of

the bill—regarding interest rates for student loans—dental schools' capitation requirements—National Health Service Corps scholarships—and extension of deadlines under the health planning law—but these are not controversial—and I believe they are acceptable.

Therefore, Mr. Speaker, I urge adoption of the conference report on H.R. 9418.

Mr. Speaker, I reserve the balance of my time, and I yield 5 minutes to the distinguished gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, I thank the gentleman from Kentucky for yielding.

I have asked for this time to engage the gentleman from Florida (Mr. ROGERS) in a colloquy for the record. I have spoken to the gentleman about these questions which have concerned officials at the Ohio State University. I realize that after the colloquy between the gentleman from Virginia, New York, and the gentleman from Mississippi, that some of the questions and answers will be somewhat repetitious, and I think I know the answers, although I am not sure. However, I would like to make the record, if the gentleman from Florida would respond.

As I understand it, the present provision in the law requires medical schools to accept a certain number of students out of a pool of U.S. students studying in foreign medical schools, who entered those foreign medical schools on or before October 12, 1976, who have completed 2 years of medical education abroad, and have passed part 1 of the national boards in order to receive a capitation grant. Is that correct?

Mr. ROGERS. Mr. Speaker, if the gentleman will yield, the gentleman is correct.

Mr. WYLIE. The amendment which the conference has adopted in this regard, and with which we are asking the House to agree, would remove that mandatory requirement and substitute a requirement that U.S. medical schools would be required to increase their third year classes by 5 percent for the 1978–79 school year. Is that correct?

Mr. ROGERS. That is correct.

Mr. WYLIE. This legal requirement that the students thus selected be from foreign medical schools is dropped, although it seems clear that most of these students would come from a pool of U.S. students who have studied abroad. Is that a fair analysis?

Mr. ROGERS. From information made available to me, it would appear that about one-eighth of the number will be students who have gone to U.S. schools and the remainder would be American students who are attending foreign medical schools.

Mr. WYLIE. This could involve some American students matriculating in U.S. schools, but most of them it is expected would be from the pool of American students going to foreign schools?

Mr. ROGERS. That is correct.

Mr. WYLIE. It is my further understanding that if an American medical school can prove that it has used due diligence to meet the 5-percent requirement of this conference report and there is an insufficient number of individuals eligible to be counted toward the fulfillment of these requirements, the school will not lose its capitation grant. Is my understanding on this point correct?

Mr. ROGERS. If the gentleman will yield, the gentleman is correct.

Mr. WYLIE. Would a medical school that has already accepted foreign medical school students on a voluntary basis for the 1977–78 academic year get credit for those students in meeting their 5-percent requirement? I might add the Ohio State University Medical School has already accepted American students studying abroad for the 1977–78 academic year on a voluntary basis. I think, of course, that Ohio State should be given credit for those students, but as I understand it from what you have said and reading the conference report Ohio State will not be given such credit, and will still have to meet the 5-percent requirement over and above the foreign medical school students accepted on a voluntary basis?

Mr. ROGERS. Mr. Speaker, will the gentleman yield further?

Mr. WYLIE. I am glad to yield.

Mr. ROGERS. That is true. In the conference report that provision is not included, so the answer would be no. Those students that schools have already admitted on a voluntary basis cannot be counted. Schools have, however, received capitation support for students they have voluntarily admitted.

Mr. WYLIE. The answer is the medical school has received Federal capitation money already for these students and that is the reason why they will not be included in the 5 percent requirement.

Mr. ROGERS. Yes.

Mr. WYLIE. The gentleman from Mississippi touched on this as did the gentleman from New York awhile ago. Does not that penalize the medical schools which have complied with the spirit of the law already and have accepted U.S. students studying abroad on a voluntary basis?

Mr. ROGERS. Mr. Speaker, if the gentleman will yield further, I do not think it will, because they have already received Federal funding for them.

Mr. WYLIE. And that is the basis on which the 5 percent amendment was adopted?

Mr. ROGERS. Yes.

Mr. WYLIE. What happens if a medical school does not comply with the 5-percent-enrollment increase provision in 1978; will it be penalized in any way in future years?

Mr. ROGERS. Yes; it would not be eligible for capitation for 1979 and 1980.

Mr. WYLIE. So a medical school could be penalized for an additional year beyond the one in which it did not comply with the 5 percent requirement?

Mr. ROGERS. For 2 years.

Mr. WYLIE. In other words, the mandatory 5 percent increase is for 1 year only, but a school that does not comply with the mandatory requirement could be penalized for 2 years?

Mr. ROGERS. Yes.

Mr. WYLIE. That is a fair analysis?

Mr. ROGERS. Yes.

Mr. WYLIE. Mr. Speaker, I thank the gentleman from Florida for his patience and I thank the gentleman from Kentucky for yielding me the time.

Mr. ANDERSON of California. Mr. Speaker, let me preface my brief remarks by indicating for the record that I have long been interested in higher education. I served as a regent of the University of California, and on the board of trustees of the State Colleges of California. In State government, I worked to help establish several small colleges. My record in this body shows my continued support for responsible education programs.

I rise in support of this report on H.R. 9418 as a much needed aid to the training of health professionals. However, the language on waivers for capitation grants seems ambiguous. I wish to make clear that my intent in voting for this legislation that the right of medical schools to maintain their own admission standards be upheld. If a school's admission committee cannot find and recruit enough eligible American students transferring from foreign medical institutions who meet the same requirements as the school's continuing students, they should not be forced to accept under-qualified students to meet the 5-percent quota to retain the capitation grants. The autonomy of colleges to establish their own nondiscriminatory admissions policies should not be infringed.

Mr. GIAIMO. Mr. Speaker, I am pleased to support the conference report. It represents a very fair compromise in resolving difficult and controversial problems that were identified in one of the Public Health Service Act amendments enacted last year.

Adding a new section 771(b)(3) to that act, the Congress made it a condition of a medical school's eligibility for capitation support that it agree to admit whatever number of transfer students the Secretary of Health might allocate. As part of the assurances, the school had to agree that it would not apply its own academic admissions criteria in evaluating the students.

A number of medical schools, including one in my home State, objected to this approach as an encroachment upon the historic freedom of American universities to apply their own fair and nondiscriminatory admissions criteria in deciding who should be accepted for study.

In light of these strong objections, both Houses this year set about remedying the situation. This House initially voted for percentage targets which medical schools would be asked to agree to pursue for 2 years. We also expanded the sources of potential applicants who could be counted toward the increase enrollment and, more importantly, the bill we originally passed preserved each school's ability to evaluate the applicants in accordance with its own admissions standards.

When the Senate considered a similar proposal, it initially decided to repeal the enrollment-increase program entirely so as to avoid any possible threat to academic freedom.

The conference report embodies a fair compromise which attempts to pursue the goal of opening up additional places for American students in medical schools next year, while protecting the basic principle of academic freedom. What the conference bill does is to enlist the

cooperation of the Nation's medical schools in a 1-year program to increase enrollment while leaving to them the complete responsibility for deciding which applicants meet their qualifications for admissions.

The conference bill is careful to provide for a waiver of the requirement that schools seeking capitation grants provide assurances to the Secretary of Health. If a school concludes that it cannot enroll enough qualified students to increase its third-year class by 5 percent, it will be relieved of the need to give the assurances. In addition, consistent with the principle of academic freedom, no school should be penalized in any way because it is unable to reach a 5-percent expansion through the addition of students who measure up to its academic standards.

What is expected is a bona fide effort by each participating school to evaluate transfer applicants to determine whether or not they satisfy the school's admissions criteria. Under this bill, no American medical school would be faced with the choice of foregoing substantial Federal support or accepting students not considered qualified according to the school's own academic standards.

Since the conference bill offers the prospect of opening significant additional places in American medical schools while at the same time recognizing academic independence as the ultimate principle here, I am pleased to endorse the conference report and to urge its adoption.

Mr. DEVINE. Mr. Speaker, I rise in support of the conference report to accompany H.R. 9418, Health Professions Education Amendments of 1977.

My support is not based, however, on any conclusion that this legislation represents wise public policy. Rather, it merely is less onerous than existing law.

Currently, in order to be eligible for capitation grants, schools of medicine must reserve positions in each of school years 1978–79, 1979–80, and 1980–81 for an identified pool of U.S. students in foreign medical schools or special educational programs in the United States. These students would be equitably apportioned among schools of medicine receiving capitation grants. U.S. citizens who had enrolled in foreign medical schools prior to October 12, 1976, date of enactment of Public Law 94–484, had completed 2 years in such school, and had passed part I of the National Board of Medical Examiners' examination would be eligible.

This is an outrageous infringement upon the academic freedom of medical schools in that students would be assigned to schools without regard to admission standards.

Under the provisions of the conference report, a school of medicine as a condition for receipt of capitation support appropriated in fiscal years 1978, 1979, and 1980 must increase its third year enrollment only in school year 1978 by 5 percent over either the number of its full-time first-year or third-year students enrolled in school year 1977–78, whichever is lesser.

Schools of medicine could not count toward the increase transfer students who first, are aliens, second, are from U.S. schools of medicine which have a place for them in the third year, third, first enrolled in a foreign medical school after October 12, 1976, fourth, are from schools of dentistry or osteopathy, or fifth, are from unaccredited U.S. schools of medicine.

The Secretary could waive the requirements, in whole or part, if: First, a school's accreditation would be threatened, second, inadequate population size will prevent the school from providing high quality clinical training for each of its third-year students, or third, despite a good faith effort an insufficient number of students are eligible to be counted. Further, the requirement would be inapplicable to a school of medicine if in school year 1977–78 its enrollment of full-time, first-year students exceeded its full-time, third year students by 25 percent or more.

Among those classes of individuals who could be counted are those students who had enrolled in foreign medical schools prior to October 12, 1976, and those enrolled in special educational programs in the United States. Schools could count as third-year students, for purposes of the enrollment increase, transfer students enrolled in the second year who were first enrolled in foreign medical schools prior to October 12, 1976. There is no reference to passing part I of the National Board of Medical Examiners' examination.

On page 10 of the conference report in the statement of the managers, it is stated that the schools cannot use the additional waiver authority after simply applying their normal admission standards and finding "no student eligible to be counted under those standards."

On page 11, it is mentioned that this enrollment increase requirement in no way infringes on the academic freedom of schools of medicine to apply their own admissions criteria.

The question arises, then, as to what happens when the school, in good faith application of its own admissions standards, determines that it is willing to accept those students who meet them but an insufficient number can be selected on merit.

That is, the pool of students is large enough, but not after application of the school's admissions criteria. What is the extent of the school's obligation thereafter?

We know, of course, and I am sure the gentleman from Florida will agree that there is no authority for HEW to force allocation of students whether or not monies have been accepted. What recourses would be available—recollection in whole or part? If pro tanto credit is allowed, would the schools be allowed a partial capitation?

What disturbs me is that despite the assertion that the measure in no way infringes on the academic freedom of schools the conference report is silent on the results that could flow from the school exercising its academic freedom.

The decision of several schools to forego capitation support unless the conditions for receipt were altered does not raise a significant question about the utility of this funding mechanism as a vehicle for accomplishing public policy objections. Instead, it more properly raises questions about the appropriateness of the conditions of receipt as a means to accomplish the policy objectives.

Mr. PREYER. Mr. Speaker, there has been much discussion of the foreign medical student provision in this bill in absolutist terms, and with charges and implications that the Health Subcommittees of the House and the Senate were bent on trampling on academic freedom.

I think it should be emphasized that the primary intent of the Health Subcommittees and the conferees was not to intrude on academic prerogatives but to solve a very tough practical problem in the fairest way possible. A doctrinaire approach can see this as the nose of the camel under the tent, and argue that this is only the opening wedge of an assault on academic freedom.

Nothing can be further from the truth. The conferees fully appreciate the requirements of academic freedom and the problems that arise where requirements for Federal funding are imposed. We plan to reexamine the requirements of capitation funding next year in this light.

The present bill offers a pragmatic, 1-year solution for a difficult practical problem that must be answered now. It represents the democratic process working to balance and compromise irreconcilable positions. I think it is a fair and honorable solution, even though it may not satisfy absolutist positions of academic freedom.

Again, let me repeat that the Health Subcommittees are seriously concerned with questions of academic freedom and at all times stand ready to discuss these questions with the medical schools and to review our programs accordingly.

Mr. STAGGERS. Mr. Speaker, these amendments to the Health Professions Educational Assistance Act—Public Law 94–484—improve the legislation which passed Congress nearly 1 year ago. The bill requires medical schools in order to be eligible to receive capitation payments to increase their third-year class enrollment by 5 percent and limits this requirement to fiscal year 1978 only. Schools not complying with this requirement in fiscal year 1978 are ineligible to receive capitation payments in fiscal years 1979 and 1980. In addition, this legislation permits students enrolled in medical schools which elect not to comply with this requirement to participate in the health professions guaranteed student loan program.

This legislation is supported by the Association of American Medical Colleges, as well as by the individual interest groups supporting American students studying medicine abroad.

To reach the increased quota of 5 percent the medical schools may draw not only on U.S. students studying abroad, but may also enroll students studying in the United States who attend schools which offer only the first 2 years of medical study.

The academic qualifications for admission of students remain at the dis-

cretion of the medical schools involved. We have not infringed on the academic freedom of the medical schools and we have not placed the Nation's health in peril by the possibility of having inadequate students who inevitably become inadequate physicians. This program only authorizes the admission to the third year of medical school. The admitted students must perform within the requirements of the medical school for a degree as doctor of medicine. They are subject to the same standard of performance as any other medical student must meet for graduation. The medical schools are not penalized should they feel that any one of these students do not fulfill their academic requirements. In short, these students may be disciplined academically as any other medical student may be disciplined.

Mr. Speaker, because of the broad base of support for this legislation from all interested groups, we feel that this legislation makes a substantial contribution to medical education in this country, and therefore to the health care of this Nation.

GENERAL LEAVE

Mr. ROGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this conference report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

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

Mr. MOTTL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 344, nays 0, answered "present" 1, not voting 89, as follows:

[Roll No. 767]

YEAS—344

Abdnor
Addabbo
Akaka
Alexander
Allen
Ammerman
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Applegate
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badham
Bafalis
Baldus
Baucus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Benjamin
Bennett
Bevill
Biaggi
Bingham
Blouin
Boggs
Boland
Bonior
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Caputo
Carney
Carr
Carter
Cavanaugh
Cederberg
Chappell
Clawson, Del
Cleveland
Cochran
Cohen
Coleman
Collins, Ill.
Collins, Tex.
Conable
Conte
Corcoran
Corman
Cornell
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Delaney
Derrick
Derwinski
Devine
Dicks
Dingell
Dodd
Dornan
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Calif.
Edwards, Okla.
Eilberg
Emery
Evans, Colo.
Evans, Del.
Evans, Ind.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Flippo
Flood
Florio
Flowers
Flynt
Foley
Fountain
Fowler
Fraser
Frenzel
Gaydos
Gephardt
Giaimo
Gilman
Ginn
Glickman
Goldwater
Goodling
Gore
Gradison
Grassley
Gudger
Guyer
Hagedorn
Hamilton
Hammer-schmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Heckler
Hefner
Heftel
Hightower
Hollenbeck
Holt
Holtzman
Horton
Howard
Hubbard
Huckaby
Hughes
Hyde
Ireland
Jacobs
Jeffords
Jenkins
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Kazen
Kemp
Ketchum
Keys
Kildee
Kindness
Kostmayer
Krebs
LaFalce
Lagomarsino
Latta
Leach
Lederer
Lehman
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Mann
Marks
Marlenee
Martin
Mazzoli
Meyner
Michel
Mikva
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Montgomery
Moore
Moorhead, Calif.
Moorhead, Pa.
Mottl
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Gary
Myers, John
Myers, Michael
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Panetta
Patten
Pattison
Pease
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Pursell
Rangel
Regula
Reuss
Rhodes
Richmond
Rinaldo
Risenhoover
Roberts
Robinson
Rodino
Roe
Rogers
Rooney
Rose
Rousselot
Roybal
Rudd
Runnels
Ryan
Santini
Satterfield
Schroeder
Schulze
Seiberling
Sharp
Shipley
Shuster
Sikes
Simon
Sisk
Skelton
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
St Germain
Staggers
Stangeland
Stanton
Stark
Steed
Steers
Steiger
Stockman
Stokes
Stratton
Studds
Stump
Taylor
Teague
Thompson
Thone
Thornton
Traxler
Treen
Trible
Tsongas
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Waggonner
Walgren
Walsh
Wampler
Watkins
Weiss
White
Whitehurst
Whitley
Whitten
Wiggins
Wilson, Tex.
Winn
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Mo.
Young, Tex.
Zablocki
Zeferetti

NAYS—0

ANSWERED "PRESENT"—1

Gonzalez

NOT VOTING—89

Ambro
Badillo
Barnard
Beilenson
Blanchard
Bolling
Broyhill
Burton, John
Burton, Phillip
Chisholm
Clausen, Don H.
Clay
Conyers
Cornwell
Cotter
Crane
Cunningham
Danielson
Dellums
Dent
Dickinson
Diggs
Downey
Edwards, Ala.
English
Erlenborn
Ertel
Evans, Ga.
Fithian
Ford, Mich.
Ford, Tenn.
Forsythe
Frey
Fuqua
Gammage
Gibbons
Hall
Hawkins
Hillis
Holland
Ichord
Kasten
Kelly
Koch
Krueger
Le Fante
Leggett
Lent
Livingston
Lundine
McCloskey
McDonald
Markey
Marriott
Mathis
Mattox
Meeds
Metcalfe
Mikulski
Milford
Moss
Nichols
Patterson
Quayle
Quie
Quillen
Rahall
Railsback
Roncalio
Rosenthal
Rostenkowski
Ruppe
Russo
Sarasin
Sawyer
Scheuer
Sebelius
Symms
Tucker
Walker
Waxman
Weaver
Whalen
Wilson, Bob
Wilson, C. H.
Wirth
Wolff
Wright
Young, Alaska

The Clerk announced the following pairs:

Mr. Dent with Mr. Ruppe.
Mr. Hall with Mr. Sebelius.
Mr. Ertel with Mr. McCloskey.
Mr. Cornwell with Mr. Frey.
Mr. Evans of Georgia with Mr. Symms.
Mr. Fithian with Mr. Kasten.
Mr. Charles H. Wilson of California with Mr. Broyhill.
Mr. Ford of Michigan with Mr. Crane.
Mr. Waxman with Mr. Edwards of Alabama.
Mr. Rahall with Mr. Marriott.
Mr. Blanchard with Mr. Walker.
Mr. Koch with Mr. Railsback.
Mr. Badillo with Mr. Sawyer.
Ms. Chisholm with Mr. Erlenborn.
Mr. Gammage with Mr. Livingston.
Mr. Ford of Tennessee with Mr. Cunningham.
Mr. Mattox with Mr. Sarasin.
Mr. Wirth with Mr. Bob Wilson.
Mr. Patterson of California with Mr. Kelly.
Mr. Russo with Mr. Quillen.
Mr. Weaver with Mr. Whalen.
Mr. Hawkins with Mr. Quie.
Mr. Tucker with Mr. Forsythe.
Mr. Conyers with Mr. Hillis.
Mr. Clay with Mr. Young of Alaska.
Mr. Downey with Mr. Lent.
Mr. Beilenson with Mr. McDonald.
Mr. Danielson with Mr. Quayle.
Mr. Meeds with Mr. Barnard.
Mr. Wright with Mr. Milford.
Mr. Krueger with Mr. English.
Mr. Roncalio with Mr. Diggs.
Ms. Mikulski with Mr. Dickinson.
Mr. Nichols with Mr. Dellums.
Mr. Rosenthal with Mr. Don H. Clausen.
Mr. Rostenkowski with Mr. Scheuer.
Mr. Ambro with Mr. Fuqua.
Mr. Wolff with Mr. Gibbons.
Mr. John L. Burton with Mr. Holland.
Mr. Cotter with Mr. Ichord.
Mr. Le Fante with Mr. Leggett.
Mr. Markey with Mr. Metcalfe.
Mr. Phillip Burton with Mr. Moss.
Mr. Lundine with Mr. Mathis.

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 6666, LEGAL SERVICES CORPORATION

Mr. KASTENMEIER. Mr. Speaker, I call up the conference report on the bill (H.R. 6666) to amend the Legal Services Corporation Act to provide authorization of appropriations for additional fiscal years, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. McKAY). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 30, 1977.)

Mr. KASTENMEIER (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

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

There was no objection.

The SPEAKER pro tempore. The gentleman from Wisconsin (Mr. KASTENMEIER) will be recognized for 30 minutes, and the gentleman from Virginia (Mr. BUTLER) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. KASTENMEIER).

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

Mr. Speaker, on November 30 this year I filed a conference report on this bill (H.R. 6666). Both the CONGRESSIONAL RECORD of that date and a subsequent printing of the conference report contained printer's errors. Both errors have been corrected in the official report and are not contained in the enrolled bill. An errata sheet accompanying the printed conference report will clarify those two errors to Members. I would ask to amend the permanent CONGRESSIONAL RECORD of November 30 to reflect the correction.

Mr. Speaker, the conference report is in the form of a substitute to the House bill and the Senate amendment. This report is the result of very careful consideration and discussions by the conferees of both Houses. The conferees personally met on both November 17 and 23, and the 10 conferees from the other body and the 7 House conferees agreed unanimously on the conference report.

Mr. Speaker, many of the differences between the House bill and the Senate amendment were of a minor and technical nature; and I would refer Members to the statement of the managers for an explanation or detailed comparison.

I would like, Mr. Speaker, to very briefly focus on several of the more important issues which confronted the conference and to discuss the resolution of those issues.

One of the important issues was whether the prohibition, agreed to by the House on the use of Corporation funds for litigation or proceedings on school desegregation cases should be continued. On the part of the House, not only was there a vote, June 27, on the issue which continued the present prohibition, but, also on October 20, the House conferees were instructed by a motion of the gentleman from Ohio (Mr. WYLIE) to persist in the House position.

On the other hand, the Senate had, in fact, voted strongly a completely different position: that is, to delete the prohibition entirely. This was undoubtedly the most contentious issue which confronted the conferees and the one to which we devoted the most time.

The conferees of the other body submitted three or four amendments to us after we had refused to accept their position, but the House conferees declined to accept those, because in each case they involved the recipient programs in litigation or proceedings. We maintained the House position entirely on that point.

Mr. Speaker, we were mindful of the fact that in our colloquy on the House floor, the gentlewoman from Texas (Miss JORDAN) had raised the question of whether the eligible clients who were parents, for example, could consult with or be advised or be given legal advice by the recipients of the Corporation. That is, in fact, the present procedure.

We did put that implied provision into the statutory language. Therefore, the House language which was agreed to is only changed by the following phrase: "Except that nothing in this paragraph shall prohibit provision of legal advice to an eligible client with respect to such client's legal rights and responsibilities." The additional language would not allow a recipient program to develop materials in preparation for an administrative or judicial proceeding, nor would it allow representation of an eligible client. It would only clarify that legal advice and referral may be given. That was all we agreed to. Therefore, the Senate did recede on that issue; the House prevailed.

Another issue which was important in conference was the support assistance provision.

The House has spoken strongly in the past 2 years to remove the restriction against corporation funding of support assistance—research, training, technical assistance, and clearinghouse functions—by grant or contract. The House has voted three times supporting repeal of the restriction:

First. H.R. 10799—March 24, 1976 (256–143);

Second. H.R. 6666—June 9, 1977—against reinserting the restriction; and

Third. H.R. 6666—June 27, 1977—against a motion to recommit the bill with instructions to reinsert (213–154).

In addition, the passage of the House bill, H.R. 6666, included removal of this restriction.

The House has clearly stated its confidence in the Legal Services Corporation by allowing it the option of funding these above-mentioned support assistance activities by grant or contract, or undertaking them directly. It is logical that the corporation should be able to choose the most effective, economical, and efficient methods of funding such activities. The only limit placed on such a choice by the House these past 2 years was that no more than 10 percent of the amounts appropriated in any fiscal year would be available for such grants or contracts under section 1006(a)(3) of the act. This was the Wiggins amendment offered in the original bill (H.R. 10799) by the gentleman from California (Mr. WIGGINS). It has remained in H.R. 6666 throughout its consideration, and is part of the conference bill, section 5(c).

The above provisions remain in the conference bill, except that the Senate conferees narrowed the types of "research," which are permitted to be funded by grant or contract, by prohibiting such funding of "broad general legal or policy research unrelated to representation of eligible clients." The House resisted this prohibition on the grounds that its ambiguous language may clutter the statute and have a chilling effect on research. However, the Senate conferees prevailed, suggesting that their language was meant to be limited. The House conferees agreed to recede on the condition that the restriction on research would be given a narrow construction.

A third important conference issue was the financing of the Corporation through the authorization for appropriations. The conferees agreed to another 3-year term. Originally in the House subcommittee, when we began the markup, we provided for a 2-year rather than the minimum 3-year term which was requested by the Legal Services Corporation. The program has been operating under an original 3-year term of authorization for appropriations. The Senate had considered a 5-year term but finally agreed to the 3-year term. We think that a 3-year term at this point in time is preferable. We are already in the first year of the authorization for fiscal year 1978, so that it seemed perfectly reasonable.

In terms of the amount of authorization for the funding, we also accepted the Senate formulation. We had agreed to $217 million for the authorization for fiscal year 1978, and the House Appropriations Subcommittee under the able chairmanship of the gentleman from West Virginia (Mr. SLACK) had the House appropriate $217 million for that fiscal year, but in the conference on appropriations, that amount was reduced to $205 million. The other body in its authorization legislation provided for $205 million, although their original bill (S. 1303) had authorized $225 million for fiscal year 1978. That lower amount was agreed to in the conference on H.R. 6666, since that was the amount already appropriated for fiscal year 1978, and so there was a proven record. The conferees agreed to leave the authorization level for the other 2 years open ended. The Legal Services Corporation program had been operating in the past fiscal year, 1977, under an open-ended authorization for appropriations, and under the oversight of the other body's subcommittee on this question and our own subcommittee, and certainly the Committees on Appropriations. The amounts to be provided in subsequent years will be reviewed carefully by the committees with authorization and oversight jurisdiction, and we intend to have input into the deliberations by the Appropriations Committees. In light of the present and additional directives in the Legal Services Corporation Act, as well as the Corporation's preliminary goal of minimal access, it is reasonable that an open-ended appropriation be made for fiscal years 1979 and 1980.

There were several instances in which the House prevailed. For example, they prevailed totally on the question of restrictions on legal assistance in criminal cases, including the question of whether persons charged in nontribal courts with criminal offenses of hunting, trapping,

fishing, or gathering fruits of the land could be represented when the principal defense arose from treaties or Executive orders relating to native Americans. Such defendants are not covered under the House language, and that restriction continues in the conference bill.

Another issue on which the conference bill has narrowed the House-passed version of H.R. 6666 is regarding the types of legislative and administrative advocacy which the recipient programs are allowed to conduct. Current law allows such representation when necessary to the provision of legal advice and representation with respect to an eligible client's legal rights and responsibilities. The House bill had clarified that the recipients could also respond to formal requests to testify, draft, or review measures or make representations to a governmental agency, legislative body, committee, or member. The House bill had further stated that a recipient could comment or make representations on activities which directly affect the recipient program or the Legal Services Corporation. This latter provision remains intact with the clarification that such activities must be those which are pursuant to the Legal Services Corporation Act and the attending regulations. Certainly a recipient program may protect its own interests before legislative and administrative bodies, for example, on matters related to its funding, its operations, its legal status, or its very existence.

However, the conference bill deletes the House language which would have allowed recipient programs to comment on measures which directly affected the poor in general if on a subject upon which that program's board of directors had voted to take a position. The House reluctantly agreed to recede on this one point, although the Committee on the Judiciary and the House had supported this position.

Mr. Speaker, I believe that the conference report is a good product of the two Houses, and will be an important continuation of an invaluable program to assist in the delivery of justice.

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

Mr. KASTENMEIER. I yield to the gentleman from Massachusettts (Mr. DRINAN).

Mr. DRINAN. Mr. Speaker, I join with my distinguished chairman (Mr. KASTENMEIER) in urging the other Members of the House to vote in favor of the conference report on the Legal Services Corporation Act amendments of 1977 and approve the bill in its final form. As with all measures reported out of conference, this bill contains both elements of the House proposal and provisions approved originally by the Senate. After a full discussion of the disagreements between the bodies, your conferees agreed to the report and bill now before us as embodying as many sections of the original House proposal as was possible to include. In some instances the Senate accepted without any change the precise House provision. In other cases, it agreed to slight or clarifying modifications.

To be sure, there were instances in which the House receded to a Senate provision, in some cases with an amendment. Your conferees, in those circumstances, sought to preserve as much of the House philosophy and intent as possible, as expressed in the original version of H.R. 6666. So that there is no doubt about the nature and scope of these modifications, let me add a few words about some of them.

First, both the House and the Senate bills would restore to the legal services program the "pre-Green amendment" authority to fund, by grant or contract, support or "backup" centers to perform research, training, technical assistance, and clearinghouse functions. The Senate bill would except from the grant or contract authority "broad general legal or policy research unrelated to representation of eligible clients." Since the Green amendment originated in the House and was specifically "repealed" by the House on two occasions, your conferees were very reluctant to agree to any exception.

The House receded, however, with the understanding that the Senate exception would be given a narrow construction. Thus to come within the exception, the particular activity in question would have to: First, be of a strictly "research" nature; second, have to involve a "broad general legal or policy" matter; and third, be "unrelated to representation of eligible clients."

The phrase "representation of eligible clients" means only that the research activity at issue be related to actual or potential clients who are eligible for legal assistance under the act. The word "representation" does not require that the support center or a recipient have a client in hand at the time the research is undertaken. Support centers must have the capacity to anticipate the legal problems of the poor if these centers are to provide the needed backup functions intended by the amendments.

In addition many legal problems of the poor are resolved out-of-court by a negotiated settlement. In some instances, it is clear that a particular difficulty is of a recurring nature, justifying indepth research by a support center even though the legal problem of a specific client has been corrected. Anticipating the imminent arrival of eligible clients with a similar problem, the support centers must have the ability to engage in such research so that these future clients will receive the best possible advice and counsel when they seek legal assistance from recipients.

Furthermore at some point most recurring difficulties are litigated. Legal services attorneys should have the research product of the support centers available for such occasions. The Senate exception, to which we agreed, would not preclude research in these and similar circumstances.

Second, both bills contained provisions which would forbid courts to appoint legal services attorneys, on a discriminatory basis, to represent indigents. Evidence at the hearings disclosed that some judges were relying exclusively on legal services program lawyers for such representation. The Senate provision is included in the conference report.

As written, it would allow appointments without compensation only when made pursuant to a "statute, rule, or practice" which is applied to all attorneys practicing in that court. This provision will prevent an undue drain on program resources. It would not, however, affect appointment of legal services lawyers if compensation is provided by the court or other non-Corporation source. Thus if legal services attorneys are singled out for appointment, they must be compensated for their services. This will preserve the fiscal integrity and priorities of the program while recognizing the professional responsibilities of all lawyers, including legal services personnel, to provide legal assistance to the poor.

The provision relating to appointment also raises a question regarding the prohibitions in the act forbidding legal services attorneys from undertaking certain kinds of litigation. Since these restrictions are defended in part by a perceived need to conserve the resources of the Corporation, they would not be offended if a court appoints a legal services attorney with compensation. If such an appointment is made without compensation, pursuant to a general rule or practice, then the legal services attorney would have to advise the court of the existing prohibition, leaving it to the judge to determine whether professional ethics and responsibilities require that the appointment be made notwithstanding the restriction.

This construction of the appointment provision would place legal services attorneys in approximately the same position as private attorneys in similar circumstances. Putting legal services and private lawyers on the same footing with regard to court appointments is, of course, the whole point of this amendment. And like the lawyer in private practice, the legal services attorney could, as she or he deemed desirable, have her or his name placed on the appointment list, which some courts maintain for such purposes.

Third, both bills contained provisions which would require recipients to establish priorities in the utilization of Federal funds for legal services. Both bills also listed particular segments of the poor which, because of their "special difficulties of access to legal services," merit particular attention in setting priorities. The House listed two groups and the Senate listed six. The Senate receded on its longer list with an amendment to require the Corporation to study, by January 1, 1979, the needs of those segments of the poor with "special difficulties." That list is, of course, not intended to be exhaustive, and if the Corporation wishes to include in its study other segments of the indigent community not named, it should feel free to do so.

Fourth, the Senate bill included a provision which would extend the notification requirements presently in the act to "principal local bar associations" whenever a legal services program is initiated (but not continued or refunded). The Senate included the word "principal" so that the Corporation would not have to notify every association of lawyers in the jurisdiction, especially in large metropolitan areas where attorney

groups abound. It has the danger, however, of limiting notice to the established bar, thus excluding other groups which, while not the "principal" association, are nonetheless significant parts of the legal community. I am confident the Corporation will take account of other segments of the bar, such as minority, female, and public interest oriented associations, when providing notice of a new legal services program.

Finally, the conference report recommends one additional change which should be noted. In the provision relating to organizational assistance, the Senate receded to the House provision with an amendment which would substitute "act as an organizer" for "directly organize." The intention of the conferees is to clarify the House provision, without any substantive change. Thus the explanation of this provision set out in House Report No. 95-310 is equally and fully applicable to the provision as modified. For a fuller explication of that section, I refer my colleagues to pages 14 and 29 of that House report.

To summarize, I believe the bill as contained in the conference report is a good measure. It is a result of good faith discussion and negotiation by the conferees of both Houses. It retains the essence of the House bill, while recognizing the legitimate concerns expressed in the Senate version. I urge the Members of this House to approve it forthwith.

Mr. Speaker, I wish to commend the gentleman from Wisconsin (Mr. KASTENMEIER) and congratulate him very heartily on the excellent conference report that has emerged from the conference.

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

Mr. KASTENMEIER. I yield to the gentleman from New York.

Mr. BIAGGI. Mr. Speaker, I also wish to commend the gentleman from Wisconsin (Mr. KASTENMEIER) upon the leadership he has given and especially his efforts to adhere to the position of the House whenever possible.

I would like to ask a question as to the fate of the language with relation to the outreach program for the elderly and for the handicapped that was in the amendment I introduced which was passed by the House on June 27.

Mr. KASTENMEIER. On that point, the Biaggi amendment, as agreed to on the House floor, the conference bill retains your language. Your provision, section 9(b) of the conference bill requires the Legal Services Corporation to insure that recipients adopt procedures for determining and implementing priorities for assistance by considering the relative needs of eligible clients, including the need for outreach, training, and support services where necessary, and including the needs of persons or groups (including elderly and handicapped individuals) who have special difficulties of access or special legal problems.

We did, however, even go further and I am sure the gentleman from New York would agree that that was desirable, in that the conferees did provide in section 13 for an eligible clients' special needs assessment study at the behest of the Senate. This study would cover some of the other people which the gentleman from New York (Mr. BIAGGI) had in mind, and would determine whether veterans, native Americans, migrants or seasonal farmworkers, persons with limited English-speaking abilities, or persons in sparsely populated areas have special difficulties of access to legal services or special legal problems which are not being met. The legal services corporation must report to Congress not later than January 1, 1979, on the extent and nature of any such problems or difficulties, and shall note and implement appropriate recommendations.

I am sure the gentleman will agree that that is a welcome addition to the bill.

Mr. BIAGGI. I want to thank the gentleman very much. I think it might be worthy to note at this point that as a result of the House action in June, the department of the aging in the city of New York has already commenced its Outreach program with relation to providing legal services for the elderly and the handicapped and already are constructing ramps, or at least removing barriers in their offices throughout the city.

Mr. KASTENMEIER. I thank the gentleman from New York for his contribution.

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

Mr. KASTENMEIER. I yield to the gentleman from Nevada.

Mr. SANTINI. I thank the gentleman for yielding.

I want to commend my chairman for a superlative job in ushering this important piece of legislation through our subcommittee and through the full committee and maintaining the House position in the conference. I truly feel that the subcommittee chairman in this legislation has given life and breath to the concept of equal justice under the law. The subcommittee chairman deserves the recognition for that accomplishment.

Mr. KASTENMEIER. I thank the gentleman from Nevada (Mr. SANTINI) and would like to say that I wish to compliment him and the gentleman from Massachusetts (Mr. DRINAN), the gentleman from Virginia (Mr. BUTLER), and other members of the subcommittee, including the gentleman from California (Mr. DANIELSON), the gentleman from Pennsylvania (Mr. ERTEL), and the gentleman from Illinois (Mr. RAILSBACK). Over the last 9 months these members have spent a great deal of time and energy on this issue.

I would also like to thank Mrs. Gail Higgins Fogarty, a counsel for the subcommittee, who has worked on the legal services issue since the Corporation Board was first installed in 1975. There are also many others whose assistance I deeply appreciate.

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

Mr. KASTENMEIER. I yield to the gentleman from Virginia.

Mr. HARRIS. I thank the gentleman for yielding.

I just want to take a moment to thank the chairman of the subcommittee and the conference committee for the work they have done on this legislation. It is an extremely important piece of legislation, and to have wended their way through all the obiter dictum that tends to get attached to legislation like this, I think it takes real genius and real perseverance.

Going over the conference report, I think there is probably a surplusage of words more than are needed as far as cluttering up the functions of attorneys who are legal counsel for the poor and for those who need it, but by and large I think an excellent job was done in conference. I think the chairman deserves a lot of credit for it.

Mr. KASTENMEIER. I thank the gentleman from Virginia, and I agree with him. There is a surplusage of words in the act, but some of those were necessary to assuage the concerns of some of our colleagues both in this body and in the other body. I trust that it will at least aid in some respects rather than confuse the issue.

Mr. Speaker, I reserve the remainder of my time.

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

Mr. Speaker, I rise in support of the conference report on H.R. 6666, the Legal Services Corporation Act Amendments of 1977. This legislation originated in the House, and in fact I have directly worked on it during hearings, through committee markup, House debate, and conference action. I was a cosponsor of H.R. 6666, and will vote for the conference bill today. I would like to note that my colleague, the gentleman from Illinois (Mr. RAILSBACK), who is unable to be here today, is a strong supporter of this legislation, and we have worked on it together.

As I noted earlier to this House, I am pleased with the manner in which the Legal Services Corporation has performed in its 2 years of existence. Today we have an excellent program—a sound corporation which is charged with funding, monitoring, and assisting local programs. We have in place regulations promulgated by the Corporation after careful deliberations by the Board. We have placed restrictions on the Corporation and its recipients, and in parts of this conference bill we have removed unnecessary restrictions—for example—with respect to juvenile representation.

My own amendment, insuring that staff attorneys cannot be candidates for a partisan political election, even in their off-duty hours, has been retained by the conferees. I believe it is a reasonable restriction.

The conference bill authorizes appropriations for the Legal Services Corporation for 3 additional fiscal years at $205 million—fiscal year 1978—and such sums "as may be necessary" thereafter. Although I can understand that this agreement is a reasonable compromise, I would have preferred a shorter period with sums certain. The House had approved a 2-year authorization at $217 million—fiscal year 1978—and $275 million—fiscal year 1979. The Committee on the Judiciary had approved $238.7 million for fiscal year 1978 and $300 million for fiscal year 1979. However, I realize that the Senate conferees, who had originally supported a 5-year authorization

at $225 million—fiscal year 1978—and such sums as necessary thereafter, refused to reduce the level and term of authorization further.

Mr. KASTENMEIER has indicated his intent to continue oversight of this program, as well as to give input to the Appropriations Committee in its annual deliberations on the Corporation's budget request. I, too, intend to participate in that oversight. I believe the program is a good one, but that it should be followed with interest and attention. We have monitored the board meetings and other Corporation activities and expect to continue this practice.

Before I yield to my colleagues, I would like to briefly note two issues which are contained in the conference bill: First, political activities of staff attorneys, and second, legislative and administrative advocacy. I believe that both issues show congressional concern of balancing constitutional—first amendment—rights with reasonable restrictions:

1. POLITICAL ACTIVITIES OF STAFF ATTORNEYS

The House bill (passed on 6/27) and the conference bill have the *identical* prohibitions on "staff attorneys" of the recipients.

A "staff attorney"[1] is now subject to the *same* restrictions on political activities as are individuals who are employees of the Legal Services Corporation or who are deemed "state or local employees" for purposes of chapter 15 of title 5, United States Code (the applicable provisions of the Hatch Act). Therefore, with the passage of this bill, the "staff attorneys" will now be allowed to participate in *non*-partisan political candidacies—e.g., run for the local school board.

Moreover, the House bill and the conference bill, unlike the Senate version, has an *explicit* prohibition or *partisan* political candidacies. (My floor amendment was necessitated by the passage by the House of H.R. 10—a modification of the Hatch Act which would have allowed "State and local employees" who are subject to chapter 15 of title 5 to be candidates for partisan political offices.)

2. LEGISLATIVE AND ADMINISTRATIVE ADVOCACY

The conference bill clarifies the legislative and administrative advocacy which the legal services programs ("recipients") may undertake. However, it *narrows* the activities which the recipients would have been allowed to undertake under the House-passed bill.

The conference bill (Sec. 9(c)—p. 3/4) states that, with respect to grants or contracts, the Corporation shall * * *

"(5) insure that no funds made available to recipients by the Corporation shall be used at any time, directly or indirectly, to influence the issuance, amendment, or revocation of any executive order or similar promulgation by any Federal, State, or local agency, or to undertake to influence the passage or defeat of any legislation by the Congress of the United States, or by any State or local legislative bodies, or State proposals by initiative petition, except where—

"(A) representation by an employee of a recipient for any eligible client is necessary to the provision of legal advice and representation with respect to such client's legal rights and responsibilities (which shall not be construed to permit an attorney or a recipient employee to solicit a client, in violation of professional responsibilities, for the purpose of making such representation possible); or

"(B) a governmental agency, legislative body, a committee, or a member thereof—

"(i) requests personnel of the recipient to testify, draft, or review measures or to make representations to such agency, body, committee, or member, or

"(ii) is considering a measure directly affecting the activities under this title of the recipient or the Corporation.".

The conference bill makes the following amendments in current law (§ 1007(a)(5) of the LSC Act):

a. As in the House bill, it adds "State proposals by initiative petition" to the list of legislative and executive actions which the recipients are restricted from influencing.

b. As in the House bill, it clarifies that an employee of a recipient may provide legal advice to and representation of an eligible client in an administrative or legislative proceeding, with the Senate proviso that such employee may not solicit a client in violation of professional responsibilities. (The ABA Code of Professional Responsibility is applicable to legal services programs and employees, and, although it prohibits solicitation, it does allow legal services personnel to engage in educational and outreach activities to insure that the poor are aware of their legal rights.)

c. As in the House bill, it specifies examples of the types of representations (testifying, drafting, or reviewing measures, or making representations to an agency, body, committee or member) that may be made by legal services programs in response to a request from a legislative or administrative body or member.

d. As in the House bill, it clarifies that, when no formal request is made or when so identifiable clients or client groups need legal advice or representation, that the recipient program may still make comments and representations on a measure which directly affects the activities (under this title) of the recipient or the Corporation. (Some examples of measures which could be covered by this provision are: state legislation amending the charter of a legal services program; state legislation providing funds for legal assistance for the poor through filing fees; state legislation establishing credentials standards for paralegals.)

The conference bill, however, eliminates the House language which would have authorized legislative and administrative advocacy on matters of *general* concern to poor persons, and on which the local board had voted to take a position.

Mr. Speaker, at this point I yield 5 minutes to the gentleman from Ohio (Mr. WYLIE).

Mr. WYLIE. Mr. Speaker, I sincerely commend the gentleman from Wisconsin (Mr. KASTENMEIER) for his diligence and persistence in support of the House position on the school desegregation provision.

I have read the conference language and I think it is fair to say the House position has been sustained.

The Judiciary Committee had brought a bill to the floor which would amend present law and permit Legal Services Corporation lawyers to participate in forced schoolbusing litigation. I offered an amendment to restore present language in the law and prohibit the use of corporate funds in litigation involving the forced busing of schoolchildren. That amendment was adopted by this House.

When it was deleted by the other body this House voted to insist on its position. The language of this conference sustains the House position with what I regard as clarifying language. The prohibition regarding litigation will be retained in the law. The clarifying language says the prohibition does not prevent Legal Services Corporation lawyers from giving advice to eligible persons as to the state of the law and allows Legal Service Corporation lawyers to refer an eligible client to another lawyer.

The new language does not do violence to my amendment. As a matter of fact, I think it improves the law in that it clarifies a possible ambiguity. I do not think Legal Services Corporation lawyers should get involved in the very controversial arena of litigation surrounding forced busing cases. Such activity would render them less effective for several reasons which I have previously enunciated. Then, too, it would be difficult to enforce a provision which prohibited the expression of an opinion on the issue. Indeed, there is some question as to whether our legislation could reach that far.

So, to me the conference language is clarifying and makes no substantive change.

My friend, Mr. KASTENMEIER, who opposed my amendment, has demonstrated his sense of fairness, his objectivity, and statesmanship in his fight to sustain the House position and present law.

I happen to think we are right and I thank Mr. KASTENMEIER for his leadership in resolving the issue in the manner he did.

Mr. BUTLER. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. MCCLORY).

Mr. MCCLORY. Mr. Speaker, I wish to commend the conferees for their work on the Legal Services Corporation Act Amendments of 1977.

Though I am not in wholehearted agreement with each provision, I believe substantial improvements have been made. This is especially so regarding the provision to which I objected last May which would authorize attorneys, salaried with tax dollars, to lobby anyone anywhere whether or not they were responding to a governmental request. Requiring a specific, eligible client to be directly affected, or the activities of the Corporation or a local legal services program, will aid this worthy service by protecting it from becoming embroiled in political battles which could ultimately defeat the whole endeavor.

For the same reason, I am pleased to see such inflammatory issues as school desegregation restricted and abortion litigation prohibited. It is also appropriate that Legal Services Corporation funds not be used to initiate or directly organize groups, though further protection against harassing and often unmanageable class actions—even continued prohibition of such assistance to groups—would have been preferable in my view.

Legal representation for the poor is a noble and humanitarian objective and the recent history of the Legal Services Corporation has been commendable in achieving this objective. I am sufficiently

[1] The definition under S1002(7) of P.L. 93-355 is a recipient's attorney who receives more than one-half of his annual professional income from a recipient organized solely for the provision of legal assistance to eligible clients under this title.

satisfied with the agreed amendments to genuinely support H.R. 6666.

Mr. BUTLER. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Mr. Speaker, I thank the gentleman.

Would the distinguished chairman of the subcommittee permit me to address a couple questions to the gentleman?

I am troubled by the proposition in this bill that where no formal request is made or where there is no identifiable client or client group needing representation, that the recipient program may still make comments and representations, which I take it is a euphemistic way of saying lobbying, on a measure which directly affects the activities of the recipient or the corporation. Are we not using taxpayers' money to subsidize lobbying for legislation?

I can not only understand, I strongly support the idea that poor people ought to have a lawyer and ought to have good legal talent available to them when necessary, but I am troubled by providing taxpayers' funds to groups who are advocating social change or changes in legislation. Everyone ought to have that right, but I am not convinced that the taxpayers ought to pay for that advocacy.

I would like some comments from the distinguished subcommittee chairman on that proposition.

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

Mr. HYDE. I yield to the gentleman.

Mr. KASTENMEIER. Of course, what the House approved when it first considered the bill earlier this year goes quite a bit beyond the conference report. What the conference did was to delete the House language which would have allowed appearances and representations by employees of a recipient program on general matters directly affecting the poor whenever the local board of that program had voted to take a position on the subject, irregardless of whether eligible clients needed such legal representation or action.

The SPEAKER pro tempore. The time of the gentleman from Illinois has expired.

Mr. BUTLER. Mr. Speaker, I yield the gentleman from Illinois (Mr. HYDE) 2 additional minutes.

Mr. KASTENMEIER. Mr. Speaker, if the gentleman will yield further, the conference bill provides that the recipient programs may appear or make other representations on measures which directly affect the program itself or the Legal Services Corporation, under this act. The conference bill does not remove the authority of recipient personnel to respond to specific governmental requests, nor does it alter the ability of a recipient's employee to represent an eligible client or group of eligible clients when such representation is necessary to provide legal advice and representation with respect to such client's legal rights and responsibilities.

Mr. HYDE. Mr. Speaker, if I may ask, what about lobbying for additional funds for the program? That certainly affects the program. Would we be subsidizing members of the Corporation lobbying for additional funds for the program?

Mr. KASTENMEIER. Well, I would say yes, although that is a moot question, and both the Senate and the House agreed with the language which is in the conference report. A legal services program may protect its own interests before a legislature or other governmental unit. We would not prohibit, let us say, the Legal Services Corporation or a recipient program from appearing or from advocating something on behalf of the Corporation or the program; but the broad policy questions which the gentleman is talking about definitely are prohibited. They may not, without request, involve themselves generally in lobbying on broad policy questions unrelated to client representation. But with respect, for example, as to how a program may operate within a community, it may appear before a city council and suggest that it would be affected in a certain way.

Mr. HYDE. I can see where that might even be desirable in a situation like that. I appreciate the clarification and I will support the bill.

Mr. BUTLER. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. KINDNESS).

Mr. KINDNESS. Mr. Speaker, I would like to commend the conferees for their good work on this conference report, all of which, with one exception, is unnecessary. That is the financing of the Legal Services Corporation for the following 3 fiscal years. We started out with a law that had barely begun really operate. The House measure sought to change things so as to go back to the times before the Legal Services Corporation was established. The final result is that we tend in that direction, but not very far, and it is all an exercise that is quite unnecessary.

I, of course, did not support the bill as it passed the House, and I would urge that the conference report, while it has been good work, in bringing together the House and Senate versions, is much of the unnecessary type of function that goes on around here. We have barely had time for the Legal Services Corporation Act, as previously established by the Congress, to operate when we started messing around with it and changing things, and we did not change it very much. I am grateful that it was not changed more, of course.

I again commend the conferees for their work on this, and their diligence on the whole matter, but would still urge that the conference report ought to be rejected.

Mr. ASHBROOK. Mr. Speaker, I rise in strong opposition to the conference report on H.R. 6666, the Legal Services Corporation Act Amendments of 1977. This legislation would greatly expand the funding and power of the Corporation. It would remove almost all restraints on legal services attorneys and open the program to even more abuse.

I think we should clear up some misconceptions about Federal legal services. Despite what its backers may claim, this is not a program for the poor. Nor is it one to impartially seek justice. It is, however, a program of social activism which uses taxpayers funds to promote radical change outside the electoral process. This is accomplished not just through the courts, but through grass roots lobbying organizations, voter registration efforts, political publications, and lobbying of local, State, and Federal agencies.

The activities of legal services employees are often highly political in nature. Let me mention just a few of the activities they have engaged in at public expense.

Legal services employees have been tax-supported advocates of causes such as rent strikes, racial quotas in jobs and schooling, unions of the unemployed, welfare rights, and Indian land claims. They have also been public-funded promoters of homosexual demands, student protests, voting rights for prison inmates, boycotts of private businesses, and massive expansion of the food stamp program. Probusing, no-growth environmentalism, antibusiness regulation, the list goes on and on.

When the Legal Services Corporation was established as a separate entity in 1974, an attempt was made to depoliticize legal services and prevent such abuses in the future. Perhaps the most important proposal was of our former colleague Edith Green of Oregon. Her successful amendment—which I supported—was intended to prohibit backup centers from committing their resources to social change rather than the needs of individual poor clients.

As Congresswoman Green stated at the time:

> I think it is dishonest to say that we are providing legal aid to the poor when in fact we are financing lobbying for social reform that certain groups want . . . These offices have become the cutting edge for social change in this country.

Despite the adoption of the Green amendment, abuses have continued. The LSC-funded Massachusetts Law Reform Institute lobbied actively in behalf of a referendum for a graduated State income tax. I ask my colleagues, is this providing legal services to the poor? The LSC-funded Pine Tree Legal Assistance and Native American Rights Fund have been trying to force the State of Maine to give two-thirds of its land back to the Passamaquoddy and Penobscot Indian tribes. Again, I ask, is giving part of the country back to the Indians providing legal services to the poor?

Rather than working on ways to strengthen the Green amendment so as to prevent such abuses, however, the Congress is now effectively repealing it. H.R. 6666 would specifically authorize the type of activity which we earlier voted to prohibit. This is a serious mistake and I oppose it.

In addition, the law previously contained a complete prohibition on involvement in school desegregation cases. This was triggered by the Center for Law and Education in Cambridge, Mass., which had intervened on the pro-busing side in Detroit. Although earlier repealed by the House Judiciary Committee, an amendment by my colleague from Ohio (Mr. WYLIE) added back strong antibusing language.

Unfortunately the language approved by the conference committee opens up a virtual pandora's box. The flat prohibition against involvement in school desegregation cases has been modified to include the following proviso:

. . . except that nothing in this paragraph shall prohibit the provision of legal advice to an eligible client with respect to such client's legal rights and responsibilities.

If we go along with such weak language we are inviting a repetition of the probusing activities we earlier sought to prevent.

The House has also abandoned its restriction on gay rights cases. Although this body overwhelmingly adopted an amendment to prohibit legal assistance with respect to litigation involving the issue of homosexuality, the House conferees receded totally from this position.

In other areas, such as juvenile representation and military related cases, adoption of the conference report would open the legal services program to further abuses. Corporation employees would be permitted to intervene in matters previously outside their jurisdiction. Most of the restrictions we so wisely added in 1974 would be eliminated by H.R. 6666.

The Federal legal services program has been at the forefront of radical political change. With the aid of millions of taxpayers dollars legal services employees have engaged in aggressive social activism, promoting their own views of what is best for the Nation—all the while claiming to represent the poor. This highly political program should be brought to an end.

Mr. WEISS. Mr. Speaker, I was extremely pleased to learn that the House-Senate conference committee on the Legal Services Corporation Act of 1977 deleted the McDonald amendment from its version of the bill. This insidious amendment to H.R. 6666 would have prohibited the Legal Services Corporation from participating in any litigation concerning homosexuality or gay rights.

I voted against this amendment, because it denied equal treatment under the law to gay people who are, of course, as entitled to the Corporation's services as anyone else in the country. The 14th amendment to the Constitution is unequivocal about equal protection:

No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of . . . the equal protection of the laws.

Passage of the McDonald amendment would have set a precedent for denying other groups equal protection under the law. Who knows what groups would have been next? Women, Jews, Members of Congress? This House must not single out any individual for discrimination if it is to continue to represent all of the Nation's people.

Furthermore, the McDonald amendment's vague wording extended its potential for discrimination far beyond infringements on the rights of gay people. The amendment could have easily discriminated against someone, even if a charge of homosexuality were completely without foundation, solely because the litigation involved homosexuality. This is akin to presuming guilt rather than innocence.

As a cosponsor of the Civil Rights Amendments Act of 1977—which outlaws discrimination on the basis of any kind of sexual preference—I am gratified to see that the conference committee thwarted this attack on the principle of equal rights for all.

Mrs. COLLINS of Illinois. Mr. Speaker, I rise in support of the conference report on H.R. 6666, Legal Services Corporation amendments. My support, however, is qualified and less than total. The reason is fairly simple. This conference report prohibits legal services attorneys from becoming involved in school desegregation suits on behalf of poor clients. The legal services program, although established to serve those who are not able to secure private legal counsel in their efforts to assert their rights, will not serve poor racial minorities or poor women in their efforts to either have equal access to education or fair health treatment.

It seems to me that this conference report unnecessarily restricts the work of legal services attorneys and in so doing limits the opportunities to help the poor. All the same, I must support this authorization, because without supporting it the funds necessary to run the Legal Services Corporation cannot be permitted to fully serve its clients. It is a shame that we in the Congress have restricted the work of dedicated lawyers and limited the rights of poor people who ask these attorneys for help. For these reasons, I support this legislation only in so far as it allocates money for the continuation of the Legal Services Corporation and with strong dissatisfaction with the content of the measure in the area of desegregation.

Mr. BIAGGI. Mr. Speaker, I rise in full support of the conference report to H.R. 6666, the Legal Services Corporation Act amendments. I am pleased to note that the language of my amendment which passed the House, giving a priority to the elderly and handicapped in receiving legal services, is contained in the final bill.

As crime against the elderly, both violent and "victimless" continues to rise throughout the country, so too does their need for legal services. The Legal Services Corporation was established in 1974 to provide the poor of this Nation with legal services which they previously could not afford. We are aware not only of a growing senior population, but also, of the growing number of elderly poor.

Traditionally, the greatest problem facing the elderly with respect to obtaining legal services, has been access. A survey conducted by "legal research and services for the elderly," a project of the National Council of Senior Citizens, found, in the 10 States polled, people over 65 comprised 21.7 percent of their poor population; yet, accounted for only 7.2 percent of the Legal Services Corporation caseload in those States. This graphically illustrates the problem my amendment seeks to correct.

For the handicapped, the problems are all too similar. Limited mobility severely restricts their access to legal services. Further, the handicapped community has an increasing number of economically disadvantaged who cannot afford legal services. These two factors combine to restrict participation of the handicapped in LSC programs. My amendment will provide the means for greater participation and receipt of services.

My amendment will basically set directions for local Legal Service Corporation offices in their determination of which groups to direct services. Where the needs of the elderly and handicapped are identified, LSC offices must respond with necessary services. Further, my amendment requires increased outreach services to better identify those elderly and handicapped in need of services.

As an original member of the House Select Committee on Aging, I am proud of this Congress' record on behalf of the elderly. Today we are addressing and hopefully resolving, a problem of great significance to the elderly. We are breaking down the barriers which prevent them from obtaining the legal services they so desperately need. Their vulnerability to crime is high—their accessibility to legal services is far too limited.

Discrimination of any type against any group must be eliminated. Our Constitution provides for equal protection under the law. It provides it for all—not just for some. Yet, societal barriers never imagined by the Founding Fathers have deprived the elderly and handicapped of their full rights to legal services. I am confident that my amendment will eradicate this problem. I am grateful for the leadership demonstrated by Chairman KASTENMEIER, as well as by the distinguished chairman of the House Select Committee on Aging, Mr. PEPPER. With your support, the elderly and handicapped can win a significant victory today.

Mr. BUTLER. Mr. Speaker, we have no further requests for time on this side.

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

GENERAL LEAVE

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report.

The SPEAKER (pro tempore) (Mr. McKAY). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. KASTENMEIER. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

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

Mr. KASTENMEIER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 236, nays 110, not voting 88, as follows:

[Roll No. 768]

YEAS—236

Addabbo
Akaka
Alexander
Ammerman
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Applegate
Ashley
Aspin
AuCoin
Baldus
Baucus
Beard, R.I.
Bedell
Benjamin
Biaggi
Bingham
Blouin
Boggs
Boland
Bonior
Bonker
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Buchanan
Burke, Calif.
Burke, Mass.
Burlison, Mo.
Burton, John
Butler
Carney
Carr
Carter
Cavanaugh
Cederberg
Cleveland
Cochran
Cohen
Coleman
Collins, Ill.
Conable
Conte
Corman
Cornell
Coughlin
D'Amours
Davis
de la Garza
Delaney
Dellums
Derrick
Dicks
Dodd
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Calif.
Eilberg
Emery
Evans, Colo.
Evans, Ind.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Flood
Florio
Flowers
Foley
Fraser
Frenzel
Gaydos
Gephardt
Giaimo
Gilman
Glickman
Gonzalez
Gore
Gradison
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Heckler
Hefner
Heftel
Hightower
Hollenbeck
Holtzman
Horton
Howard
Hughes
Hyde
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Jordan
Kastenmeier
Kazen
Keys
Kildee
Kostmayer
Krebs
LaFalce
Leach
Lederer
Lehman
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lujan
Luken
McClory
McCormack
McFall
McHugh
McKay
McKinney
Maguire
Mann
Marks
Marlenee
Mazzoli
Meyner
Mikva
Miller, Calif.
Mineta
Minish
Mitchell, Md.
Moakley
Moffett
Mollohan
Moorhead, Pa.
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Myers, Gary
Myers, Michael
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
Oakar
Oberstar
Obey
Ottinger
Panetta
Patten
Pattison
Pease
Pepper
Perkins
Pettis
Pickle
Pike
Pressler
Preyer
Price
Pursell
Rangel
Regula
Reuss
Rhodes
Richmond
Rinaldo
Rodino
Roe
Rogers
Rooney
Rose
Roybal
Ryan
Santini
Schroeder
Seiberling
Sharp
Shipley
Simon
Slack
Smith, Iowa
Smith, Nebr.
Solarz
St Germain
Staggers
Stanton
Stark
Steers
Steiger
Stokes
Stratton
Studds
Thompson
Thone
Traxler
Trible
Tsongas
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Walgren
Wampler
Weiss
White
Whitehurst
Wiggins
Wilson, Tex.
Wylie
Yates
Yatron
Young, Mo.
Zablocki
Zeferetti

NAYS—110

Abdnor
Allen
Archer
Armstrong
Ashbrook
Badham
Bafalis
Bauman
Beard, Tenn.
Bennett
Bevill
Bowen
Breaux
Brown, Mich.
Brown, Ohio
Burgener
Burke, Fla.
Burleson, Tex.
Byron
Caputo
Chappell
Clausen, Don H.
Clawson, Del
Collins, Tex.
Corcoran
Daniel, Dan
Daniel, R. W.
Derwinski
Devine
Dornan
Edwards, Okla.
Evans, Del.
Flippo
Flynt
Fountain
Ginn
Goldwater
Goodling
Grassley
Gudger
Guyer
Hagedorn
Hammer-schmidt
Hansen
Harsha
Holt
Hubbard
Huckaby
Ichord
Ireland
Jenkins
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Kemp
Ketchum
Kindness
Lagomarsino
Latta
Lott
McDonald
McEwen
Madigan
Mahon
Martin
Michel
Miller, Ohio
Mitchell, N.Y.
Montgomery
Moore
Moorhead, Calif.
Mottl
Murtha
Myers, John
O'Brien
Poage
Pritchard
Risenhoover
Roberts
Robinson
Rousselot
Rudd
Runnels
Satterfield
Schulze
Shuster
Sikes
Sisk
Skelton
Skubitz
Snyder
Spence
Stangeland
Steed
Stockman
Stump
Taylor
Teague
Thornton
Treen
Waggonner
Walsh
Watkins
Whitley
Whitten
Winn
Wydler
Young, Fla.
Young, Tex.

NOT VOTING—88

Ambro
Badillo
Barnard
Bellenson
Blanchard
Bolling
Broyhill
Burton, Phillip
Chisholm
Clay
Conyers
Cornwell
Cotter
Crane
Cunningham
Danielson
Dent
Dickinson
Diggs
Dingell
Downey
Edwards, Ala.
English
Erlenborn
Ertel
Evans, Ga.
Fithian
Ford, Mich.
Ford, Tenn.
Forsythe
Fowler
Frey
Fuqua
Gammage
Gibbons
Hall
Hawkins
Hillis
Holland
Kasten
Kelly
Koch
Krueger
Le Fante
Leggett
Lent
Livingston
Lundine
McCloskey
McDade
Markey
Marriott
Mathis
Mattox
Meeds
Metcalfe
Mikulski
Milford
Moss
Nichols
Patterson
Quayle
Quie
Quillen
Rahall
Railsback
Roncalio
Rosenthal
Rostenkowski
Ruppe
Russo
Sarasin
Sawyer
Scheuer
Sebelius
Spellman
Symms
Tucker
Walker
Waxman
Weaver
Whalen
Wilson, Bob
Wilson, C. H.
Wirth
Wolff
Wright
Young, Alaska

The Clerk announced the following pairs:

On this vote:

Mr. Erlenborn for, with Mr. Crane against.

Mr. McDade for, with Mr. Frey against.

Mr. Railsback for, with Mr. Marriott against.

Mr. Sarasin for, with Mr. Sebelius against.

Mr. Young of Alaska for, with Mr. Symms against.

Mr. Rostenkowski for, with Mr. Kelly against.

Mr. Rosenthal for, with Mr. Dickinson against.

Until further notice:

Mr. Dent with Mr. Badillo.

Mr. Ambro with Mr. Evans of Georgia.

Mr. Danielson with Mr. Kasten.

Mr. English with Mr. Barnard.

Mr. Cotter with Mr. Broyhill.

Mr. Phillip Burton with Mr. Fowler.

Mr. Gammage with Mr. Ertel.

Mr. Gibbons with Mr. Bellenson.

Mr. Le Fante with Mr. Edwards of Alabama.

Mr. Dingell with Mr. Forsythe.

Mrs. Chisholm with Mr. Fithian.

Mr. Downey with Mr. Clay.

Mr. Rahall with Mr. Hall.

Mr. Ford of Michigan with Mr. Hillis.

Mr. Conyers with Mr. Holland.

Mr. Blanchard with Mr. Krueger.

Mr. Cornwell with Mr. Livingston.

Mr. Fuqua with Mr. Markey.

Mr. Diggs with Mr. Leggett.

Mr. Ford of Tennessee with Mr. Lundine.

Mr. Hawkins with Mr. Mattox.

Mr. Koch with Mr. Lent.

Mr. McCloskey with Mr. Mathis.

Mr. Meeds with Mr. Quayle.

Mr. Moss with Ms. Mikulski.

Mr. Ruppe with Mr. Quie.

Mr. Metcalfe with Mr. Patterson of California.

Mr. Russo with Mr. Quillen.

Mr. Milford with Mr. Nichols.

Mr. Scheuer with Mr. Roncalio.

Mrs. Spellman with Mr. Sawyer.

Mr. Tucker with Mr. Waxman.

Mr. Charles H. Wilson of California with Mr. Walker.

Mr. Bob Wilson with Mr. Weaver.

Mr. Wirth with Mr, Whalen.

Mr. Wolff with Mr. Wright.

Messrs. YOUNG of Texas, RISENHOOVER, BROWN of Michigan, and WALSH changed their vote from "yea" to "nay."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FURTHER CONTINUING APPROPRIATIONS, 1978

Mr. DODD, from the Committee on Rules, reported the following privileged resolution (H. Res. 928, Rept. No. 95–833), which was referred to the House Calendar and ordered to be printed:

H. RES. 928

Resolved, That immediately upon the adoption of this resolution the House shall proceed to consider a motion to take from the Speaker's table the joint resolution (H.J. Res. 662) making further continuing appropriations for the fiscal year 1978, and for other purposes, with the Senate amendments thereto, and concur in the Senate amendments, without any intervening motion, and at the conclusion of the debate thereon the previous question shall be considered as ordered, and the question shall be put on the motion to concur without any intervening motion.

Mr. DODD. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 928 and ask for its immediate consideration.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read the resolution.

The SPEAKER pro tempore. The question is, will the House now consider House Resolution 928?

PARLIAMENTARY INQUIRY

Mr. BAUMAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. BAUMAN. Mr. Speaker, does not the consideration of this resolution require a two-thirds vote?

The SPEAKER pro tempore. The Chair will state that that is correct.

Mr. BAUMAN. Is there no debate permitted on consideration of the question?

The SPEAKER pro tempore. The Chair will state that no debate is permitted on consideration of the question.

The question is, will the House now consider House Resolution 928?

The question was taken.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 251, nays 86, not voting 97, as follows:

[Roll No. 769]

YEAS—251

Addabbo
Akaka
Allen
Ammerman
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Ashley
Aspin
AuCoin
Baldus
Beard, R.I.
Beard, Tenn.
Bedell
Benjamin
Bennett
Bevill
Bingham
Blouin
Bonior
Bonker
Bowen
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burlison, Mo.
Butler
Byron
Caputo
Carney
Carr
Carter
Cavanaugh
Cederberg
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Corcoran
Corman
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Dellums
Derrick
Devine
Dicks
Dingell
Dodd
Drinan
Duncan, Oreg.
Duncan, Tenn.
Edgar
Edwards, Calif.
Eilberg
Emery
Evans, Colo.
Evans, Del.
Evans, Ind.
Fascell
Fenwick
Findley
Fish
Fisher
Flippo
Florio
Flowers
Foley
Fountain
Fraser
Frenzel
Gaydos
Giaimo
Gilman
Ginn
Glickman
Goldwater
Goodling
Gore
Gradison
Gudger
Guyer
Hagedorn
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Hefner
Heftel
Hollenbeck
Holtzman
Horton
Howard
Huckaby
Hughes
Ireland
Jacobs
Jeffords
Jenkins
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Kemp
Ketchum
Keys
Kostmayer
Krebs
LaFalce
Latta
Leach
Lehman
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Luken
McClory
McCormack
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Mann
Marlenee
Martin
Mazzoli
Meyner
Michel
Mikva
Miller, Calif.
Mineta
Minish
Moakley
Moffett
Mollohan
Moore
Moorhead, Pa.
Mottl
Murphy, Ill.
Murphy, Pa.
Murtha
Myers, Gary
Natcher
Neal
Nedzi
Nolan
Nowak
Oakar
Obey
Ottinger
Panetta
Patten
Pattison
Pease
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Preyer
Pritchard
Pursell
Rangel
Regula
Reuss
Rhodes
Richmond
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Roybal
Runnels
Ryan
Santini
Satterfield
Schroeder
Schulze
Seiberling
Sharp
Shipley
Sikes
Simon
Sisk
Skelton
Slack
Smith, Iowa
Solarz
Staggers
Stangeland
Stanton
Stark
Steed
Steers
Stokes
Stratton
Studds
Stump
Thompson
Thornton
Treen
Trible
Tsongas
Udall
Ullman
Van Deerlin
Vanik
Vento
Waggonner
Walgren
Walsh
Wampler
Watkins
Weiss
White
Whitehurst
Whitley
Wilson, Tex.
Winn
Yates
Young, Mo.

NAYS—86

Abdnor
Andrews, N. Dak.
Annunzio
Applegate
Archer
Armstrong
Ashbrook
Badham
Bafalis
Bauman
Biaggi
Boland
Breaux
Burke, Mass.
Burleson, Tex.
Chappell
Clausen, Don H.
Clawson, Del
Coleman
Collins, Tex.
Conte
Cornell
Delaney
Derwinski
Dornan
Early
Edwards, Okla.
Fary
Flood
Flynt
Gephardt
Gonzalez
Grassley
Hammerschmidt
Hansen
Harsha
Heckler
Hightower
Holt
Hubbard
Hyde
Ichord
Kazen
Kildee
Kindness
Lagomarsino
Lederer
Lujan
McDade
McDonald
Marks
Miller, Ohio
Mitchell, N.Y.
Moorhead, Calif.
Murphy, N.Y.
Myers, John
Myers, Michael
O'Brien
Oberstar
Pressler
Price
Rinaldo
Rooney
Rousselot
Rudd
Shuster
Skubitz
Smith, Nebr.
Snyder
Spence
St Germain
Steiger
Stockman
Taylor
Teague
Thone
Traxler
Vander Jagt
Volkmer
Wydler
Wylie
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—97

Alexander
Ambro
Badillo
Barnard
Baucus
Beilenson
Blanchard
Boggs
Bolling
Broyhill
Burton, John
Burton, Phillip
Chisholm
Clay
Conyers
Cornwell
Cotter
Crane
Cunningham
Danielson
Dent
Dickinson
Diggs
Downey
Eckhardt
Edwards, Ala.
English
Erlenborn
Ertel
Evans, Ga.
Fithian
Ford, Mich.
Ford, Tenn.
Forsythe
Fowler
Frey
Fuqua
Gammage
Gibbons
Hall
Hawkins
Hillis
Holland
Kasten
Kelly
Koch
Krueger
Le Fante
Leggett
Lent
Livingston
Lundine
McCloskey
Markey
Marriott
Mathis
Mattox
Meeds
Metcalfe
Mikulski
Milford
Mitchell, Md.
Montgomery
Moss
Nichols
Nix
Patterson
Quayle
Quie
Quillen
Rahall
Railsback
Risenhoover
Roncalio
Rosenthal
Rostenkowski
Ruppe
Russo
Sarasin
Sawyer
Scheuer
Sebelius
Spellman
Symms
Tucker
Walker
Waxman
Weaver
Whalen
Whitten
Wiggins
Wilson, Bob
Wilson, C. H.
Wirth
Wolff
Wright
Young, Alaska

The Clerk announced the following pairs:

Mr. Dent with Mr. Ruppe.
Mr. Hall with Mr. Sebelius.
Mr. Ertel with Mr. McCloskey.
Mr. Cornwell with Mr. Frey.
Mr. Evans of Georgia with Mr. Symms.
Mr. Fithian with Mr. Kasten.
Mr. Charles H. Wilson of California with Mr. Broyhill.
Mr. Ford of Michigan with Mr. Crane.
Mr. Waxman with Mr. Edwards of Alabama.
Mr. Rahall with Mr. Marriott.
Mr. Blanchard with Mr. Walker.
Mr. Koch with Mr. Railsback.
Mr. Badillo with Mr. Sawyer.
Ms. Chisholm with Mr. Erlenborn.
Mr. Gammage with Mr. Livingston.
Mr. Ford of Tennessee with Mr. Cunningham.
Mr. Mattox with Mr. Sarasin.
Mr. Wirth with Mr. Bob Wilson.
Mr. Patterson of California with Mr. Kelly.
Mr. Russo with Mr. Quillen.
Mr. Weaver with Mr. Whalen.
Mr. Hawkins with Mr. Quie.
Mr. Tucker with Mr. Forsythe.
Mr. Conyers with Mr. Hillis.
Mr. Clay with Mr. Young of Alaska.
Mr. Downey with Mr. Lent.
Mr. Beilenson with Mr. Leggett.
Mr. Danielson with Mr. Quayle.
Mr. Meeds with Mr. Barnard.
Mr. Wright with Mr. Milford.
Mr. Krueger with Mr. English.
Mr. Roncalio with Mr. Diggs.
Ms. Mikulski with Mr. Dickinson.
Mr. Nichols with Mr. Baucus.
Mr. Rosenthal with Mr. Montgomery.
Mr. Rostenkowski with Mr. Scheuer.
Mr. Ambro with Mr. Alexander.
Mrs. Boggs with Mr. Eckhardt.
Mr. Cotter with Mr. Wiggins.
Mrs. Spellman with Mr. Lundine.
Mr. John L. Burton with Mr. Moss.
Mr. Nix with Mr. Mathis.
Mr. Markey with Mr. Holland.
Mr. Fuqua with Mr. Gibbons.
Mr. Phillip Burton with Mr. Whitten.
Mr. Mitchell of Maryland with Mr. Risenhover.
Mr. Metcalfe with Mr. Fowler.
Mr. Wolff with Mr. Le Fante.

Messrs. ANNUNZIO, BIAGGI, PRICE, HARSHA, LEDERER, MICHEL, GARY A. MYERS, RINALDO, FARY and ZEFERETTI changed their vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the House agreed to consider House Joint Resolution 662.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. McDONALD. Mr. Speaker, on the vote on the conference report on H.R. 9418, the Public Health Services Act, I missed the vote because I was detained on official business.

Had I been present, I would have voted "no."

FURTHER CONTINUING APPROPRIATIONS, 1978

The SPEAKER pro tempore (Mr. McKAY). The gentleman from Connecticut (Mr. DODD) is recognized for 1 hour.

Mr. DODD. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois (Mr. ANDERSON), for the purpose of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, I do not intend to use all my time on this issue, on the rule itself. I would just merely explain what this resolution does. It directs the Appropriations Committee to offer a motion to concur in a Senate amendment.

I would just like to make one point here. This debate has been going on for months now. If there is one issue on which the Members of this institution have let the record show where they stand, this issue has been it. I would hope that in the remaining few minutes of today and the few days that are left before the end of this year we would try and come to agreement, come to a compromise, and resolve this issue.

We all have our differences and views on how this issue should be dealt with, but I intend to support the motion to be made by the chairman of the Appropriations Committee. I recognize that there are those who feel that the Michel amendment offered yesterday was the best. I voted for that motion. I think it was a good effort.

The fact that the word "forcible" has been deleted from that particular language, I do not think makes that much significant difference. I do not think we are going to have a situation where a person is going to be involved in a statutory rape who would not report it promptly. I think the word "promptly" protects against the situation feared by those who are concerned over the Senate's deletion of the word "forcible."

I would hope that the matter would be debated thoroughly and that we would resolve this issue.

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

Mr. DODD. I yield for purposes of debate only.

Mr. VOLKMER. As a freshman Member, I would just like to understand where I am. If, in the event that this rule would be defeated, there is nothing to prohibit the Rules Committee from even today coming back with another rule, is that correct?

Mr. DODD. It could happen, but I do not see that as a strong likelihood. But, it certainly is something that could occur. As in this case, we would be required to have a two-thirds vote to bring it up.

Mr. VOLKMER. Let us assume the next day. In the event the rule is adopted—I am not going to vote for it—but in the event the rule is adopted and the motion itself is defeated, then the question is, Where do we stand from there?

Mr. DODD. I am not prepared to respond to that. I am not in a position to say exactly what the will of the House would be with regard to that particular matter. But, if the previous question still stands, there is a possibility that we could come up with another rule.

Mr. VOLKMER. Correct, and we are not quitting today, as I understand from the leadership, and all the debate that has been going on here before concerning recess, we are not going to recess because we still have the energy matter to concern ourselves with. Is that correct?

Mr. DODD. The gentleman is correct.

Mr. VOLKMER. I thank the gentleman.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield myself as much time as I may use.

Mr. Speaker, I concur in the explanation of this resolution that has just been given by my colleague on the Committee on Rules, the gentleman from Connecticut.

Mr. Speaker, I would observe that I would somehow hope that the 251 to 86 vote by which we have just agreed to consider this rule might be a precursor of a happier solution to the final problem that we face than we had on yesterday and on the more than 12 occasions, I believe, that we have voted on this matter in the past.

I was disappointed a moment ago to hear the gentleman from Missouri say that he was going to oppose this rule. I cannot think of any reason, particularly in view of some of the facts that were brought out in the debate yesterday by the distinguished majority leader, the leader on the other side of the aisle, about the fact that three-quarters of a million State, local and Federal employees may literally face a payless payday before Christmas, why we would want to take the obdurate and absolutely intransigent attitude that we would not consider this rule, that we would not consider this matter under an appropriate rule.

As the gentleman from Connecticut has explained, it does makes a change, it does make a compromise, a further compromise, on this issue and an opportunity for some of those Members who, regrettably, did not vote for the Michel amendment on yesterday to come back to our side and support an acceptable compromise on this very controversial issue.

So I urge every Member of this body to support the rule.

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

Mr. ANDERSON of Illinois. I yield to the gentleman from Missouri. I mentioned the gentleman's name, and I certainly will yield to the gentleman.

Mr. VOLKMER. Mr. Speaker, I would like to ask the gentleman this question: This provision, this proposal that is now before us, the rule proposing that the House adopt the Senate language, is actually more broad than what the House rejected yesterday; is that not correct?

Mr. ANDERSON of Illinois. I think the issue is not the language at this particular juncture in these proceedings. The issue is whether or not we are willing to even consider a matter and to allow the distinguished chairman of the Committee on Appripriations (Mr. MAHON) to offer a motion to concur in the Senate amendment to House Resolution 662, the continuing resolution.

Mr. VOLKMER. Without any subsequent motion being presented?

Mr. ANDERSON of Illinois. The substantive issue will be debated in the hour that will be allowed the gentleman from Texas (Mr. MAHON) when he makes the motion to concur in the Senate amendment.

Mr. VOLKMER. No preferential motion can be raised under this rule; is that correct?

Mr. ANDERSON of Illinois. The motion can be raised up or down. Members will have an opportunity to express their views on the issue when the votes are made.

Mr. VOLKMER. And nothing else?

Mr. ANDERSON of Illinois. I do not know what else the gentleman thinks he should have at this point.

Mr. VOLKMER. No other preferential motion could be presented?

Mr. ANDERSON of Illinois. No. The motion would be a motion to concur in the Senate amendment. That motion will be explained in the hour of debate that will be provided under the rules for its consideration.

Mr. VOLKMER. I thank the gentleman for his explanation.

Mr. ANDERSON of Illinois. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, the reason I asked for a vote on the question of consideration was because a rule of this nature requires a two-thirds vote to be brought up on the same day it is reported out. Just about without any notice to any Members interested in this issue, including the chairman of the Subcommittee on Appropriations dealing with it under the rules, they convened this morning, at the direction, I assume, of the leadership, and reported this rule out. All the rule does is to change the order in which consideration of motions dealing with a conference report are normally handled. It says that, instead of the gentleman from Pennsylvania (Mr. FLOOD), if he chose, or any other Members, being able to offer a motion to concur in the Senate amendment with an amendment, which might be an acceptable compromise, that the House is forced by this rule to vote solely on the Senate language adopted yesterday. I think most of us who have stood steadfast against the compromise on this issue of right to life feel that the Senate language is totally meaningless as a compromise, and is worse than many of the others that have been voted down. And there is other language being considered which may be offered by some of the members of the Committee on Appropriations that would have the support of the gentleman from Maryland, the gentleman from Illinois (Mr. HYDE), the gentleman from Pennsylvania (Mr. FLOOD), and could very well possibly resolve this issue.

However, the rule before us forces us to vote first—and possibly only—depending upon the outcome of the vote on whether or not we swallow the Senate amendment wholly. I think it is unfortunate that we find ourselves in this position.

I will oppose the rule. I am not going to force it to a rollcall vote, but perhaps some other Member will. There is still a chance for a compromise here. The language could be sent back to the other body this afternoon, in light of the closeness of the vote, in light of the paydays involved, and in light of the remarks of other Members who are desirous of leaving. Approximately 40 Members have left yesterday since this House voted, and we do have to resolve this issue.

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

Mr. BAUMAN. I yield to the gentleman from Missouri.

Mr. VOLKMER. Mr. Speaker, I was trying to make a point along these lines a minute ago.

In other words, this is basically what we call a closed rule, is it not?

Mr. BAUMAN. It still allows the possibility of compromise if the motion to concur in the Senate amendments is defeated.

Mr. VOLKMER. I do not understand that to be the case.

Mr. BAUMAN. I fervently hope that will be the result. In that event, another amendment might be offered.

Mr. DODD. Mr. Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken and on a division (demanded by Mr. BAUMAN) there were—yeas 54; nays 40.

So the resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Texas (Mr. MAHON).

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, pursuant to the rule just adopted, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves to take from the Speaker's table the joint resolution (H.J. Res. 662) making further continuing appropriations for the fiscal year 1978, and for other

purposes, with Senate amendments thereto, and concur in the Senate amendments.

The SPEAKER pro tempore. The Clerk will report the title of the joint resolution and the Senate amendments.

The Clerk read the title of the joint resolution.

The Clerk read the Senate amendments, as follows:

(1) Page 2, lines 15 and 16, strike out "as modified by the House of Representatives on August 2, 1977".

(2) Page 2, line 17, after "resolution" insert: "*Provided, however*, that none of the funds provided for in this paragraph shall be used to perform abortions: except where the life of the mother would be endangered if the fetus were carried to term; or except for such medical procedures necessary for the victims of rape or incest, when such rape or incest has been reported promptly to a law enforcement agency or public health service; or except in those instances where severe and long-lasting physical health damage to the mother would result if the pregnancy were carried to term.

"Nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of an ectopic pregnancy.

"The Secretary shall promptly issue regulations and establish procedures to ensure that the provisions of this section are rigorously enforced."

PARLIAMENTARY INQUIRIES

Mr. BAUMAN. Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. BAUMAN. Mr. Speaker, if the motion offered to concur in the Senate amendments is defeated, is it still not in order for a Member to be recognized to offer a motion to concur in the Senate amendments with an amendment?

The SPEAKER pro tempore. The Chair will inform the gentleman that it would take unanimous consent.

Mr. BAUMAN. Because of the rule that was adopted, that would not be in order?

The SPEAKER pro tempore. No, it would not.

Mr. BAUMAN. So, Mr. Speaker, the rule totally precludes any possibility of offering an amendment?

The SPEAKER pro tempore. The gentleman is correct, other than by unanimous consent or by the adoption of another rule.

Mr. BAUMAN. Mr. Speaker, I have a further parliamentary inquiry.

Under the normal order of procedure, which the rule has changed, such a motion would be first in order now instead of the pending motion, would it not?

The rule mentions nothing about precluding a motion to concur in the Senate amendments with an amendment. Would that not have been in order if this motion were defeated?

The SPEAKER pro tempore. The rule makes in order one motion to concur and nothing else. Rejection of that motion would not at that stage permit other privileged motions in the House to dispose of the Senate amendment.

Mr. BAUMAN. Mr. Speaker, I understand, and I thank the chair.

The SPEAKER pro tempore. The gentleman from Texas (Mr. MAHON) is recognized for 1 hour.

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

Mr. Speaker, one of my colleagues said to me a moment ago, "Why do you appear so grim? Why are you so glum?"

We have been wrestling with this abortion question for quite some time. However, I am not faced with a payless pay day or with anything of that kind, so I am not facing an emergency myself personally.

However, there are some people who are, and I have great concern about some way in which to solve this problem.

Mr. Speaker, the Members will remember Hamlet, the melancholy Dane, who in frustration and despair said on one occasion:

O! that this too too solid flesh would melt,
Thaw and resolve itself into a dew;
Or that the Everlasting had not fixed
His canon 'gainst self-slaughter!

He should not have been quite so depressed.

Mr. Speaker, I think we could use a little hope, a little human hope—hope in small letters—that we will be able to resolve this issue involving abortion. I cannot resolve it myself. I have tried diligently and ineffectively to do it.

Mr. Speaker, there is an old hymn which says, "Take your troubles to the Lord and leave them there."

I am taking my troubles to the House of Representatives, and I am leaving them there. I can still sleep well at night, and I expect to sleep well tonight.

I just want my colleagues to vote their own consciences with respect to this matter. I would not twist an arm or say an unkind word or otherwise try to pressure anyone. I say to the Members, "Just vote according to your desires as you have in the past."

Mr. Speaker, yesterday was the certifying date for the payroll for the Department of Labor. Today is the date for HEW. Tens of thousands of people are involved. For the Department of Labor people payday would be on Friday of this week, so we are running up against a deadline. Payday for the HEW people is next Tuesday.

Mr. Speaker, I ask the Members to realize that I can take it if they can take it. It is just a matter of how we can resolve this issue.

Mr. Speaker, somebody was saying to me the other day, "Did you not know that everybody in this House has voted for abortion?"

I thought for a moment, and I said, "Yes, you are right. Everybody, Mr. HYDE, and everybody else voted for abortion because they voted for the language which says that no abortion shall be permitted unless the health of the mother is in jeopardy or unless the life of the mother is in jeopardy. Therefore, everyone has voted for abortion in some form. It is a matter of the degree of abortion which we have all voted upon."

This is a very troublesome question, a very troublesome issue.

Mr. Speaker, this resolution went over to the Senate yesterday, and the Senate rejected it. However, they passed substantially what the House had rejected. This is as far as the Senate has gone in making some kind of compromise. If the House has made any substantial compromise, I am not aware of it.

Mr. Speaker, the compromise of the Senate yesterday was more substantial than had taken place in the past. Therefore, the problem is, What are we voting on today? We are voting on what we voted on yesterday, in an atmosphere in which payless paydays are more imminent.

Mr. Speaker, we are voting on the amendment we voted on yesterday without the word "force" in connection with rape. If I know anything about words, "rape" means "force," and therefore, abortion would be permitted after a rape had taken place.

In statutory rape the relationship would be illegal so the courts could very well hold that a statutory rape was forced rape. Well, that interpretation would militate against certain positions. We do not know just what the courts would decide.

But, Mr. Speaker, it would be good if we can get this matter behind us—get it behind us until when? Until next September 30. Is it not delightful to contemplate that we might dispose of this thing and not have to confront it month after month as we go campaigning next year? Would it not be good if we could extend this period until the end of the fiscal year which is September 30, 1978? If this language is approved today it is all over and we will not have to be back tomorrow for the consideration of this issue. Of course, if this is voted down—and I am not urging any Member to vote one way or another—if it is voted down, then we would have to be back tomorrow, or certainly late tonight or today in trying to work something out. I suppose that everybody has a secret formula, maybe it is not really secret, but a formula to work this out.

We have done our best with various proposals. So I would hope that we could vote on this matter and get this matter behind us and avoid the reaction that will necessarily follow if we do not enable these Federal employees to get paid on Friday of this week.

I believe it does reflect on the Congress in its ability to do its job.

The Committee on Rules has been very tolerant. The Committee on Rules provided us with a rule and we have it. In the interests of getting this matter behind us and in the realization of the fact that compromise is necessary even though people are completely and totally entitled to their own views but if they will not in any way give in a little one way or another on their own viewpoints then any kind of a compromise of course cannot ensue and cannot be worked out.

So I urge the Members to use their own best judgment. I am prepared to stay here with you. In fact, I have no plans to the contrary for the next week, otherwise certain of our people will have a payless payday.

So, let your conscience be your guide.

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

Mr. MAHON. I yield to the distinguished gentleman from Washington.

Mr. BONKER. Mr. Speaker, may I say to the gentleman from Texas (Mr.

MAHON) that I appreciate his tireless efforts to break this impasse. It just seems to me that with each vote, in view of the diminishing number of people who are here, it becomes more difficult to solve this issue, but the pressure is going to increase if we do not do something. However, I would like to have the gentleman perhaps confirm one point that I think should be made and that is does the gentleman not feel that those who voted for the Michel amendment yesterday may feel that the Senate has weakened that language by substituting "rape" for "forced rape"? But the fact is that existing section 209 of the law and both the Hyde amendment which is now in force, makes no reference to rape and the Secretary of HEW in his regulations makes no reference to forced rape.

So I think we are dealing intellectually with some phrases. But in terms of substance and consequence, we really are not that far apart. The real key word is "prompt," that any occurrence under the circumstances involved in this language be promptly reported to the authorities. To me that closes any possible loophole, and it should be acceptable to those who have been supporting the Hyde position.

Mr. MAHON. The gentleman makes a very, very significant point. Under the Senate language upon which we will vote, which was the House language that we submitted yesterday, if it is a forcible rape, it must be reported promptly. The prompt reporting is the thing that is very significant here. What we vote on today would require the prompt reporting. This, it seems to me, should be borne in mind in connection with the decision which we shall make.

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

Mr. MAHON. I yield to the gentleman from Maryland.

Mr. BAUMAN. I thank the gentleman for yielding.

The gentleman from Washington and the gentleman from Texas have both placed great score on what the meaning of "prompt" is under the Senate language. I refer them to the debate in the Senate yesterday at page 38598 in which the Senator from Massachusetts (Mr. BROOKE) and the Senator from Ohio (Mr. METZENBAUM) at length discussed promptitude and what it meant in this case:

Mr. METZENBAUM. Possibly weeks and months.

Mr. BROOKE. It could be, yes.

Then they went on to explain in their view months could pass and still lead to prompt reporting. In other words, this is a very large loophole, and this debate in the Senate could support a complete reversal of the attitude of the House when we desired a prompt reporting of when the rape occurred. Read what the Senate said.

Mr. MAHON. Regardless of what may have been said by any Member of the other body and by any Member of this body, in plain English "prompt" means reasonably quick. It does not mean months, regardless of what anybody may have said. I do not accept everything I read in the CONGRESSIONAL RECORD. I know what the word "promptly" means, and I know that Mr. Califano, the Secretary of HEW, is a man of integrity, and he is required under the language in this proposal to promptly issue regulations to rigorously enforce the import of the resolution. So I would not be concerned about that matter.

Mr. BONKER. Will the chairman yield on this point?

Mr. MAHON. I yield to the gentleman from Washington.

Mr. BONKER. I thank the gentleman for yielding.

I wonder if the gentleman from Maryland has any idea where the word "prompt" was first introduced in this language. It was first introduced by Senator HELMS, who is an archadvocate of the Hyde amendment, when it was being considered on the Senate floor last week. He had moved to amend the language to include the words "reported promptly," so that is the language that is now before this body. That does not come from the pro-abortionists; that comes from Senator JESSE HELMS, whose position, I would imagine the gentleman from Maryland supports on this issue.

Mr. MAHON. If I may say, since we are talking about the word "promptly," let us read what the resolution upon which we are going to vote says:

except where the life of the mother would be endangered if the fetus were carried to term;

That is the first exception where abortion would be permitted—

or except for such medical procedures necessary for the victims of rape—

We leave out "forced." The language we vote on today is—

necessary for the victims of rape or incest, when such rape or incest has been reported promptly to a law enforcement agency or public health service;

This is the best and the quickest way to dispose of this matter. Whether it is the wisest, it is up to us to make a determination on that issue.

Mr. CARTER. Mr. Speaker, I would ask the distinguished Dean of the House to yield to me.

Mr. MAHON. I yield to the gentleman from Kentucky.

Mr. CARTER. I regret so much that the Chairman is feeling glum today. I always like to see him convivial, congenial, and feeling good and of great spirit.

Mr. MAHON. Yes.

Mr. CARTER. To that end I say: "Be still, sad heart, and cease repining; Behind the clouds is the sun still shining. Your fate is but the common fate of all; Into every life some rain must fall. Some days must be dark and dreary."

I thank the gentleman for yielding.

Mr. VOLKMER. Mr. Speaker, will the gentleman yield for a question?

Mr. MAHON. I yield for a question.

Mr. VOLKMER. Yesterday I believe the gentleman was present during the debate on the amendment offered by the gentleman from Illinois; is that not correct?

Mr. MAHON. What did the gentleman ask?

Mr. VOLKMER. I say yesterday during the debate on the amendment offered by the gentleman from Illinois, the gentleman was present—on the Michel amendment?

Mr. MAHON. Was the gentleman from Missouri on the floor?

Mr. VOLKMER. Yes, I was here.

Mr. MAHON. Was the gentleman from Missouri aware whether or not I was here?

Mr. VOLKMER. Yes. I believe the gentleman from Texas was here. I do not remember everybody who was on the floor, I know. I just do not remember everybody who was here.

Mr. MAHON. The chairman who was handling the bill I hope would be noticeable.

Mr. VOLKMER. The reason I asked was during the debate the gentleman from Illinois gave his opinion as to certain meanings of certain provisions of the language of that amendment. I would just like to know if the gentleman from Texas agrees with those statements.

Mr. MAHON. I have not checked the RECORD this morning.

Mr. VOLKMER. The gentleman was here and I am sure he paid close attention to every bit of the debate.

Mr. MAHON. But I say I have not read what appeared in the RECORD this morning and I would not be in a position to confirm or deny what the gentleman from Illinois has said.

Next question.

Mr. VOLKMER. I thank the gentleman.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr. Speaker, I thank the gentleman.

Is it the chairman's intention to divide the time equally or is it just at his pleasure that he would yield?

The SPEAKER pro tempore (Mr. STRATTON). The gentleman from Texas (Mr. MAHON) has consumed 17 minutes.

Mr. MICHEL. Is the chairman intending to divide the time between himself and the gentleman from Illinois or should we simply make our requests to the chairman?

Mr. MAHON. I believe under the rule I have all the time, but I would be happy to yield to the extent the gentleman desires.

Mr. MICHEL. I just want to make it clear. The gentleman has always been eminently fair. I would like to make sure the gentleman from Maryland (Mr. BAUMAN) and the gentleman from Illinois (Mr. HYDE) and the gentleman from Kentucky (Mr. CARTER) could be heard.

Mr. MAHON. I would be happy, if the rules permitted, to yield 20 minutes or 30 minutes to the gentleman from Illinois for the purpose of controlling the debate.

Mr. MICHEL. I appreciate that very much, Mr. Speaker, so I yield 5 minutes to the gentleman from Illinois (Mr. HYDE).

Mr. MAHON. Mr. Speaker, has the Chair ruled that I can yield such time?

The SPEAKER pro tempore. The gentleman from Texas can yield the time as he sees fit. The gentleman understands

the gentleman from Texas has yielded 30 minutes to the gentleman from Illinois.

Mr. MAHON. In view of the fact that 17 minutes have already elapsed, would 20 minutes be adequate?

Mr. MICHEL. Sufficient.

Mr. Speaker, I yield the first 5 of the 20 minutes to the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Mr. Speaker, yesterday I took only 2 minutes and I was low-keyed and attempted to be moderate in my approach to this subject, which was somewhat out of character, because I know that the scenario that is devoutly desired for the pro-life congressmen over here is for us to go "gently into the night" and not rage against the dying of the light.

I just do not choose to do so today because the immoderate subject of killing prenatal young does not lend itself to moderate discourse. I believe firmly that man must render an accounting not only for every idle word but also for every idle silence.

The other body has removed "forced" from the definition of rape and thus opens medicaid abortions to any woman under the age of consent, whether there has been a forced rape or rape has been consented to or whether there has been any rape whatever in the sense that force has been used or not.

The distinguished majority leader yesterday adverted to and supplied us with a list of hundreds and hundreds of very important—even vital—programs that will be halted if we do not succumb to the will of the other body and change the existing law to provide for the extermination of thousands of defenseless pre-born lives.

One of our distinguished colleagues put several statements in the Record the other day indicating there is a great ambiguity among church groups, different church groups, a lack of consensus on the part of several of them on the essential question, "When does human life begin?"

First of all, disputations among religious groups on important issues are nothing new. Wars have been fought over such matters. That is why these church groups are different.

But I say, "So what?" If you cannot tell when life begins, where do you allocate the benefit of the doubt? Do you shoot the gun through the door because you are not sure anyone is behind it?

More importantly, the commencement of human life is determined by biology, not theology.

Theology says, "Thou shalt not kill."

Biology says, "That fetus is human life."

One highly respected authoritative organization in this field is Planned Parenthood. They are on the cutting edge of the abortion controversy. It seems to me they ought to be authoritative on this basic question of when does life begin. I have here one of their pamphlets, issued by Planned Parenthood, 515 Madison Avenue, "Every Child a Wanted Child," and it is called, "Plan Your Children".

It says, "Is It An Abortion?" This was issued in 1964. "Is It An Abortion?"

"Definitely not. An abortion kills the life of a baby after it has begun. It is dangerous to your life and health. It may make you sterile so that when you want a child you cannot have it. Birth control merely postpones the beginning of life."

I always ask the Planned Parenthood people, "What medical discoveries have occurred since 1964 to reverse this position? Do you stand by the fact that abortion kills the life of a baby?" I do not get much of a response.

I do not like to stand here and be accused of being the consummate Christmas Scrooge standing between thousands of employees and their Christmas checks; but what am I supposed to do, abandon prenatal life because the Senate wants to change the existing law?

The citizens of Dachau and Buchenwald, when they visited the furnaces and ovens of the prison camps cringed and shuddered and said, "We didn't know."

The defendants at Nurenberg said, "We didn't know."

I do not think we have that excuse. We know that unborn life is human life. I am unwilling to trade it for a health condition or for any other circumstances, except to save another human life.

Mr. MICHEL. Mr. Speaker, I yield myself such time as I may consume, first of all to make inquiry of the chairman. On page 2 of the resolution, on lines 15 and 16, it says:

> As modified by the House of Representatives on August 2, 1977, has been struck in the Senate.

Now, in the House we made absolutely sure in the continuing resolution that all the other items in the conference report and the disagreeing amendments which we have reached agreement on were not to be touched by what we may or may not do on the so-called Hyde amendment.

I want to make sure that is the chairman's understanding, that notwithstanding the striking of that line in the Senate and in this resolution that we are not tampering with any of those other items in the HEW bill that have heretofore been agreed to.

Mr. MAHON. Mr. Speaker, the gentleman from Illinois has performed a service in calling this matter to the attention of the House. The gentleman from Illinois is absolutely correct. There was no intention whatever of involving ourselves in the reconsideration of other issues in the Labor-HEW appropriation bill. The only matter involved here was this amendment having to do with abortion. I would call this a technical error and the meaning is absolutely clear from this colloquy what the House and the Senate intend to do.

Mr. MICHEL. Mr. Speaker, is it the chairman's intention to acknowledge the chairman of our subcommittee, the gentleman from Pennsylvania (Mr. FLOOD), at some juncture?

Mr. MAHON. I shall yield some time to the gentleman from Pennsylvania, yes.

Mr. MICHEL. I have really only the gentleman from Maryland (Mr. BAUMAN) left for a few words.

Mr. MAHON. Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the Subcommittee on Labor, Health, Education, and Welfare, the gentleman from Pennsylvania (Mr. FLOOD).

Mr. FLOOD. Mr. Speaker, let me tell you just what the situation is here. There are very few Members in attendance on the floor now, and I am satisfied that even those of the very few are not clear about who pulled what rabbit out of what hat at some time during today. But, it was done.

Now, Members, when you think of the debates we have had on this bill over the past months; the deadly seriousness, the heartrending debate on both sides of the aisle and from both sides of this issue, I just have never seen anything like it. Yet, despite that, here is where you are: The Members are now faced with a take-it-or-leave-it-situation on the Senate language that we have been debating concerning Federal funds for abortion. A subject you have been worrying and debating for months. The Senate language before us is a watered-down version of the language rejected by the House just yesterday by a recorded vote—most of you were here and voted yesterday—of 170 to 200. Remember, just yesterday?

If you voted against the Michel amendment yesterday, then you vote against this Senate amendment. Do you see why? It is as plain as the nose on your face; just like night follows day.

Now, I am not going to repeat the arguments of yesterday against this Senate language. I could take an hour here in three languages. But I am sure that Members know what is happening here today. You know what is happening here today. You are being forced as Members of the House, to vote up or down on a Senate amendment.

You—with no opportunity to change a single word or even the punctuation. I find this totally unacceptable, in capital letters. I urge you to reject the Senate amendment.

Mr. MICHEL. Mr. Speaker, I yield 4 minutes to the gentleman from Maryland (Mr. BAUMAN).

Mr. BAUMAN. Once more to the well, Mr. Speaker. The gentleman from Illinois (Mr. HYDE) has stated most clearly the concern of those of us who have voted repeatedly in favor of the Hyde amendment and for human life. The Members can read my other speeches on other days in the RECORD as to why I understand it is very difficult for those who hold our position to compromise with those who hold the position that the fetus is nothing more than a bit of tissue, to be thrown away in a garbage can after being excised.

We know that there are deep-seated differences that exist and will continue to exist on legislation in years to come, whether it is national health insurance, or the appropriation bill on HEW next year.

So I have taken the trouble to ask some experts overnight to give some estimate of what the language of the other body would mean in terms of actual abortions. Understand, there are more than 1 million abortions in the United States a year, and in some States there are more children killed by abor-

tion than are live-born. So abortion is occurring. Three hundred thousand abortions, approximately, are financed by the Federal Government, and that is what we are fighting about. The Supreme Court a few months ago upheld the Hyde amendment as a proper action of the majority of this body and of the other body to limit those 300,000 abortions to the absolutely necessary ones, when the life of the mother was in danger. The Court said that was acceptable and constitutional.

Ever since that time, the other body has been fighting to increase the loopholes and their scope so as to permit more and more abortions. So I asked an expert whether he could estimate what this language could mean. The removal alone, the estimate was given to me, of the word "forced" would mean that one-quarter to one-third of the 300,000 abortions would be permitted. So, if this language is adopted the Members are voting for at least that many deaths. With the inclusion of the broadly interpreted "prompt reporting" months after the occurrence, as the Members of the other body readily interpret it—and legislative history does play a part—we have another estimate. It could be almost unlimited, I was told, because anyone could say they had been raped. The abortion would be months after the fact, and it would be paid for by the Government. As to the mother's health exception, it would be left up to the judgment of the doctor. In my experience with the medical people who regularly perform abortions, many are running abortion clinics where much of their money comes from medicaid for performing abortions, doing this death-dealing operation, and little else.

So what the Members may be voting for is 300,000, or more, abortions financed by the Federal Government. So the Members should not deceive themselves. If they have voted 10 times for the right to life, this pending language is not going to offer them some out. I know that there were 10 or 12 Members who voted with us in the past who switched yesterday. This language offers them no excuse for such a switch. This vote is the most crucial one of all, because if this language is defeated, it will be written up in every newspaper in the country as a major defeat for the right-to-life forces who are not going to stop their activity. They believe and I believe and a majority of this body believes, at least until today, in the right to life. So that issue will be raised. Ask yourself: Do you want to be the one who makes the difference and brings defeat, after switching your vote, after voting on this so many times? Do you want to accept that responsibility? Not because it will affect your reelection, but because it will affect the lives of 300,000 American citizens, children unborn every year, I ask you to stand with us. That is the issue.

Mr. MICHEL. Mr. Speaker, I yield myself such time as I may consume to the extent it has been allotted by our distinguished chairman.

Mr. Speaker, I do not expect there to be any significant change from the vote we had yesterday. At most, those 10 or 12 that we lost yesterday on that side, those who have strongly opposed the Hyde amendment, could conceivably be persuaded to go along with the Senate position. At the same time, there might very well be six or eight here on this side who had made a switch to support my amendment, but who are not likely to support other compromise language unless the word "forced" were in it.

I obviously cannot be enthused about what the Senate has done to what I said was going to be the last effort I would make to come to any kind of an agreement. I suppose we are all subject to changing our minds from time to time.

If perchance this motion does go down today, I am going to include with my remarks some language that ought to be considered by the Members. This would, I think, in the final analysis get the endorsement of the gentleman from Illinois (Mr. HYDE), the gentleman from Maryland (Mr. BAUMAN), and other Members.

What has happened here is that this is such a symbol that, I do not care how pliable the minds of Members of this House are, they are locked in concrete. They will tell me privately, "Bob, you are right. I'm with you, I am sympathetic with your position, but I cannot extricate myself from my own position."

So I am going to read into the RECORD this following language and suggest that if this motion does go down, we ought to be given an opportunity at this language:

> None of the funds contained in this act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term, or except where the pregnancy would substantially aggravate a pre-existing serious physical illness to the mother.
>
> This section does not prohibit payment for medical procedures necessary for the prompt treatment of the victims of rape or incest.

This language does not contain anything about reporting.

I had conversation with my friend, the gentlewoman from New York (Ms. HOLTZMAN), on the issue of privacy and reporting. The more I get to examine these matters, the more I begin to understand the problems and the issues involved.

The last 2 paragraphs of this language I am offering are exactly what we have all agreed on, including the gentleman from Illinois (Mr. HYDE), the gentleman from Maryland (Mr. BAUMAN), and other Members.

As I said, if the motion before us goes down on this next vote, this language I am suggesting will hopefully be considered. However, I think it only appropriate to make the caution that the parliamentary situation is extremely complex and may not afford us the opportunity to consider this language in a timely fashion.

The Members will note that we did not use the word, "permanent," because that has always been anathema to the other side. The language is "a preexisting serious physical illness."

This does constitute a compromise. We have made an adjustment with the other side on the rape question. This is a little different approach.

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

Mr. MICHEL. I yield to the gentleman from Washington.

Mr. BONKER. Mr. Speaker, I thank the gentleman for yielding, and I must say I appreciate what he is attempting to do in moving the Members to some action.

The House has to come to some agreement on this matter if we are to break the impasse.

As the gentleman has mentioned, this issue has polarized the House, and the leadership appears almost paralyzed. Yet, we have a responsibility to resolve this issue.

I would point out, since the gentleman is working with definitional problems pertaining to rape and incest that the present law, with the Hyde amendment, which is section 209, does not make any reference to rape or incest, and it has resulted in the following regulation put forth by Secretary Califano, and I quote:

> Treatment for rape or incest is . . . limited for these purposes to prompt treatment before the fact of pregnancy is established.

This is now the law, and there is not one Member who is supporting the Hyde amendment who has taken issue with this language. And yet, if we bring essentially the same language on this floor, it would be rejected by the Hyde supporters. If we were to incorporate the Secretary's language in this amendment and presented either by the distinguished chairman of the committee or the gentleman from Illinois (Mr. HYDE), it would probably be rejected.

We are apparently trying to deal too honestly with this issue in working out a compromise. The people on the anti-abortion side are dealing with another issue, one that has not even come before this body, and that is a constitutional amendment. That is why I think our efforts have been fruitless by trying to compromise, because the Hyde supporters simply are not going to accept any language, regardless of the form it takes, unless it is the exact kind of language they want.

However, I would ask the gentleman from Maryland (Mr. BAUMAN) or the gentleman from Illinois (Mr. HYDE) if they would accept the language that is now in the regulations, if that language were to come before this body in some legislative form?

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

Mr. MICHEL. Yes, I yield to the gentleman from Illinois.

Mr. HYDE. Absolutely, Mr. Speaker, I would accept that. I have no quarrel with the regulations.

What I object to is the games that are being played with the term, "medical procedures," by the other body, because they want to use that term to mean an abortion.

Medical procedures promptly administered are not the same as an abortion because they do not even know if the woman isp regnant. They would administer estrogens, perform a D. & C., but they do not abort something that is not there. The fact of pregnancy has not been determined.

Yes, Mr. Speaker, I support that. I am

with the gentleman on that, and I agree with that language.

Mr. BONKER. Is that not exactly what we are doing by providing for prompt reporting? Is that not what Senator HELMS attempted to do on the Senate side when he amended the Senate language last week?

Mr. HYDE. Which was rejected by the Senate.

Mr. BONKER. Yes, but it was offered by the gentleman's colleague on the Senate side, that exact language, was it not?

Mr. HYDE. Prompt treatment is what interests me, and the prompt reporting was to avoid the fraud incident to someone's coming in 6 months later and saying she was raped 6 months ago by an assailant unknown. That is the problem with this, and that would be an abortion.

Mr. BONKER. Mr. Speaker, I would assume, if the gentleman from Illinois (Mr. MICHEL) will yield further, that the provision which says that the "Secretary shall promptly issue regulations and establish procedures to assure that the provisions of this section are rigorously enforced" would be sufficient to establish the guidelines that the gentleman is looking for in this language.

Mr. HYDE. Mr. Speaker, if the gentleman will yield further, it was the gentlemen in the other body who wanted to eliminate from the report the statutory language or phrases that deal with rape and incest. We have attempted to accommodate them so long as they do not include abortion after the fact of pregnancy, which is something I do not agree with, and which is not what the current regulations require.

Mr. BONKER. I think what we are attempting to do in this language and what is already in existence in the regulations is not that far apart. It has pretty much the same effect.

Ms. HOLTZMAN. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentlewoman from New York.

Ms. HOLTZMAN. Mr. Speaker, I thank the gentleman for yielding.

While I am dismayed at these efforts to restrict the constitutionally guaranteed rights of poor women to a medically safe abortion, I will not expound on the reasons again at this time.

Mr. Speaker, I would, however, like to ask the gentleman from Illinois (Mr. MICHEL) two questions about the impact of the language which he has proposed, and which has come back from the other body with a minor amendment.

First, I am concerned about the issue of privacy because the amendment imposes a reporting requirement in cases of rape and incest.

Would the gentleman from Illinois (Mr. MICHEL) tell me whether or not the Secretary of HEW would have the authority to promulgate regulations that would protect legitimate privacy interests, say, of young girls who are the victims of incest, or girls or women who are raped?

Mr. MICHEL. I would think, in keeping with the earlier conversation we had, that that would be my feeling; there would have to be some special concession for those kinds of occasions.

The SPEAKER pro tempore. The time of the gentleman from Illinois (Mr. MICHEL) has expired.

Mr. MICHEL. Mr. Speaker, is that my entire 20 minutes?

The SPEAKER pro tempore. The Chair will state that that is correct.

Mr. MAHON. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Illinois (Mr. MICHEL).

Mr. MICHEL. Mr Speaker, I appreciate the chairman's yielding me this additional time.

Again I would say to the gentlewoman from New York (Ms. HOLTZMAN) that that would be my position, yes.

Ms. HOLTZMAN. Mr. Speaker, I thank the gentleman for that assurance.

I am also concerned about the "prompt" reporting requirement in the case of, let us say, a 10-year-old girl who is the victim of incest or a mentally retarded woman who has been raped and does not understand what has happened. Would the same reporting requirement, in terms of promptness, be imposed on someone who does not understand the nature of what has happened, as would be imposed on someone who can reasonably be held to be aware of what has taken place?

Mr. MICHEL. I just think that under the kind of situation which the gentlewoman from New York has described, there has to be special consideration given in that kind of case. The present law, as a matter of fact, gives them that special consideration.

Ms. HOLTZMAN. Mr. Speaker, I thank the gentleman.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the joint resolution now pending before the House.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

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

Mr. Speaker, I have pointed out, of course, that the payday for the Department of Labor is Friday of this week; and the payday for HEW, with all of its various programs, is on Tuesday of next week.

Therefore, Mr. Speaker, it is necessary that we take some steps to dispose of this matter. The joint resolution pending would dispose of the matter until September 30 of next year.

The question of abortion, of course, is an emotional one but, as I pointed out earlier, everybody when he goes home to his constituents must say, "Yes, madam," and "Yes, mister, I did vote for abortion," he has to say that, if he is asked the question, but he can modify it by saying, "But, I voted for abortion only in cases where the life of a mother might be in danger, or in certain other cases." So it is just a matter of degree.

So I would hope that we can find an approach that will insure that we will not have to wrestle with this question next January in a continuing resolution or in the Labor-HEW bill.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. All time has expired.

Under the rule, the previous question is ordered.

The question is on the motion offered by the gentleman from Texas (Mr. MAHON).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. MAHON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 171, nays 178, answered "present" 1, not voting 84, as follows:

[Roll No. 770]

YEAS—171

Addabbo
Akaka
Alexander
Allen
Anderson, Calif.
Anderson, Ill.
Ashley
Aspin
AuCoin
Bedell
Bingham
Blanchard
Bonker
Bowen
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Brown, Calif.
Brown, Mich.
Buchanan
Burke, Calif.
Burlison, Mo.
Burton, John
Butler
Carr
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Corman
Coughlin
Daniel, R. W.
Davis
Dellums
Derrick
Dicks
Diggs
Dingell
Dodd
Drinan
Duncan, Oreg.
Eckhardt
Edgar
Edwards, Calif.
Evans, Colo.
Evans, Del.
Evans, Ind.
Fascell
Fenwick
Findley
Fisher
Flippo
Flowers
Foley
Fountain
Fowler
Fraser
Giaimo
Gilman
Ginn
Glickman
Gonzalez
Gudger
Hamilton
Hammer-schmidt
Hannaford
Harkin
Harrington
Harris
Hefner
Heftel
Hightower
Holland
Hollenbeck
Holtzman
Horton
Howard
Hughes
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Ketchum
Keys
Kostmayer
Krebs
Leach
Lehman
Levitas
Lloyd, Calif.
Long, Md.
McCormack
McFall
McHugh
McKinney
Maguire
Mahon
Mann
Martin
Meyner
Mikva
Miller, Calif.
Mineta
Mitchell, Md.
Moffett
Mollohan
Moorhead, Pa.
Neal
Obey
Ottinger
Panetta
Pattison
Pease
Pepper
Pettis
Pickle
Pike
Poage
Preyer
Pritchard
Pursell
Rangel
Reuss
Richmond
Roberts
Rogers
Rose
Roybal
Runnels
Ryan
Santini
Schroeder
Seiberling
Sharp
Sisk
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stark
Steed
Steers
Stockman
Stokes
Studds
Thompson
Thornton
Tribie
Tsongas
Tucker
Udall
Ullman
Van Deerlin
Vanik
Walgren
Weiss
Whitehurst
Whitley
Wiggins
Wilson, Tex.
Yates

NAYS—178

Abdnor
Ammerman
Andrews, N. Dak.
Annunzio
Applegate
Archer
Armstrong
Ashbrook
Badham
Bafalis
Baldus
Bauman
Beard, R.I.
Beard, Tenn.
Benjamin
Bennett
Bevill
Biaggi
Blouin
Boggs
Boland
Bonior
Breaux
Broomfield
Brown, Ohio
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Byron
Caputo
Carney
Carter
Cavanaugh
Cederberg
Clausen, Don H.
Clawson, Del
Coleman
Collins, Tex.
Conte
Corcoran
Cornell
D'Amours
Daniel, Dan
de la Garza
Delaney
Derwinski
Devine
Dornan
Duncan, Tenn.
Early
Edwards, Okla.
Eilberg
Emery
Fary

Fish	McKay	Satterfield
Flood	Madigan	Schulze
Florio	Marks	Shipley
Flynt	Marlenee	Shuster
Gaydos	Mazzoli	Sikes
Gephardt	Michel	Simon
Goldwater	Miller, Ohio	Skelton
Goodling	Minish	Skubitz
Gore	Mitchell, N.Y.	Smith, Nebr
Gradison	Moakley	Snyder
Grassley	Moore	Spence
Guyer	Moorhead, Calif.	St Germain
Hagedorn	Mottl	Stangeland
Hanley	Murphy, Ill.	Stanton
Hansen	Murphy, N.Y.	Steiger
Harsha	Murphy, Pa.	Stratton
Heckler	Murtha	Stump
Holt	Myers, Gary	Taylor
Hubbard	Myers, John	Teague
Huckaby	Myers, Michael	Thone
Hyde	Natcher	Traxler
Ichord	Nedzi	Treen
Ireland	Nix	Vander Jagt
Jenkins	Nolan	Vento
Kasten	Nowak	Volkmer
Kemp	O'Brien	Waggonner
Kildee	Oakar	Walsh
Kindness	Oberstar	Wampler
LaFalce	Patten	Watkins
Lagomarsino	Perkins	White
Latta	Pressler	Whitten
Le Fante	Price	Winn
Lederer	Regula	Wydler
Lloyd, Tenn.	Rhodes	Wylie
Long, La.	Rinaldo	Yatron
Lott	Robinson	Young, Fla.
Lujan	Rodino	Young, Mo.
Luken	Roe	Young, Tex.
McClory	Rooney	Zablocki
McDade	Rousselot	Zeferetti
McDonald	Rudd	
McEwen		

ANSWERED "PRESENT"—1

Frenzel

NOT VOTING—84

Ambro	Ford, Tenn.	Nichols
Andrews, N.C.	Forsythe	Patterson
Badillo	Frey	Quayle
Barnard	Fuqua	Quie
Baucus	Gammage	Quillen
Beilenson	Gibbons	Rahall
Bolling	Hall	Railsback
Broyhill	Hawkins	Risenhoover
Burton, Phillip	Hillis	Roncalio
Chappell	Kazen	Rosenthal
Chisholm	Kelly	Rostenkowski
Clay	Koch	Ruppe
Conyers	Krueger	Russo
Cornwell	Leggett	Sarasin
Cotter	Lent	Sawyer
Crane	Livingston	Scheuer
Cunningham	Lundine	Sebelius
Danielson	McCloskey	Symms
Dent	Markey	Walker
Dickinson	Marriott	Waxman
Downey	Mathis	Weaver
Edwards, Ala.	Mattox	Whalen
English	Meeds	Wilson, Bob
Erlenborn	Metcalfe	Wilson, C. H.
Ertel	Mikulski	Wirth
Evans, Ga.	Milford	Wolff
Fithian	Montgomery	Wright
Ford, Mich.	Moss	Young, Alaska

The Clerk announced the following pairs:

On this vote:

Ms. Mikulski for, with Mr. Rahall against.

Mr. Ford of Tennessee for, with Mr. Kazen against.

Mr. Beilenson for, with Mr. Nichols against.

Mr. Cornwell for, with Mr. Gammage against.

Mr. Wirth for, with Mr. Ambro against.

Mr. Waxman for, with Mr. Chappell against.

Mr. Weaver for, with Mr. Cotter against.

Mr. Baucus for, with Mr. Fithian against.

Mr. Badillo for, with Mr. Ertel against.

Ms. Chisholm for, with Mr. Koch against.

Mr. Clay for, with Mr. Markey against.

Mr. Conyers for, with Mr. Montgomery against.

Mr. Danielson for, with Mr. Risenhoover against.

Mr. Downey for, with Mr. Rostenkowski against.

Mr. Ford of Michigan for, with Mr. Russo against.

Mr. Hawkins for, with Mr. Crane against.

Mr. Krueger for, with Mr. Cunningham against.

Mr. Leggett for, with Mr. Dickinson against.

Mr. Lundine for, with Mr. Erlenborn against.

Mr. Mattox for, with Mr. Frey against.

Mr. Meeds for, with Mr. Hillis against.

Mr. Metcalfe for, with Mr. Kelly against.

Mr. Moss for, with Mr. Lent against.

Mr. Patterson of California for, with Mr. Livingston against.

Mr. Rosenthal for, with Mr. Marriott against.

Mr. Scheuer for, with Mr. Quayle against.

Mr. Frenzel for, with Mr. Quie against.

Mr. Wolff for, with Mr. Quillen against.

Mr. Wright for, with Mr. Ruppe against.

Mr. Forsythe for, with Mr. Sawyer against.

Mr. Sarasin for, with Mr. Symms against.

Until further notice:

Mr. Dent with Mr. Broyhill.

Mr. Phillip Burton with Mr. Edwards of Alabama.

Mr. Andrews of North Carolina with Mr. Fuqua.

Mr. English with Mr. Gibbons.

Mr. Evans of Georgia with Mr. Hall.

Mr. Mathis with Mr. McCloskey.

Mr. Milford with Mr. Whalen.

Mr. Railsback with Mr. Roncalio.

Mr. Walker with Mr. Bob Wilson.

Mr. PATTEN changed his vote from "yea" to "nay."

Mr. FRENZEL changed his vote from "yea" to "present."

Mr. FRENZEL. Mr. Speaker, I have a live pair with the gentleman from Minnesota (Mr. QUIE), who, had he been present, would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

So the motion was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF S. 1340, ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION AUTHORIZATION ACT OF 1977 AND 1978—CIVILIAN APPLICATIONS

Mr. YOUNG of Texas. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 916 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 916

Resolved, That upon the adoption of this resolution it shall be in order to consider the bill (S. 1340) to authorize appropriations to the Energy Research and Development Administration for energy research, development, demonstration, and related programs in accordance with section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, as amended, and for other purposes, in the House.

The SPEAKER. The gentleman from Texas (Mr. YOUNG) is recognized for 1 hour.

Mr. YOUNG of Texas. Mr. Speaker, I yield to the distinguished gentleman from Oregon (Mr. ULLMAN) to speak out of order.

(By unanimous consent Mr. ULLMAN was allowed to proceed out of order.)

THE LATE DR. LAURENCE WOODWORTH

Mr. ULLMAN. Mr. Speaker, I appreciate the gentleman yielding to me.

Mr. Speaker, it is with a great sense of personal loss that I announce the death of Dr. Larry Woodworth. As most Members know—and he did know many Members—he was the Director of the Joint Committee on Taxation for the past 14 years. He was on the Hill with the joint committee for more than 25 years. Since February, he has been the Assistant Secretary of the Treasury for Taxation.

There is no man that I know who has had a more profound influence on the broad scope of public policy in this country than Dr. Woodworth. In addition to his work on tax law, he was a key staff person in such major undertakings as the development of the congressional budget procedure, ERISA, and a great many other legislative matters of vital importance and far-reaching effect.

His guidance to tax writers in Congress over the decades has been enormous. In his quiet way, Larry was as much an influence in shaping the tax policy of this country as any committee chairman or Treasury Secretary or President in memory. He leaves a legacy of justice to millions of Americans.

While he avoided the limelight, others knew of his work and recognized his importance, and he was awarded such high honors as the U.S. Civil Service League Award and the Rockefeller Award (sometimes called the Nobel Prize of the civil service) as a result.

These accomplishments are great. But they are no more outstanding than his contributions as a decent, understanding human being. He gave his time and assistance generously to hundreds of Members of Congress and to others who sought his help. His sense of fairness and gift for finding shared goals among those of divergent views cannot be replaced.

He was one of the most remarkable men I have known; one of the great Americans of our time. I valued his help and, much more than that, his friendship. He has had as profound an influence on my life as anyone. I am grateful for our years together.

My love and deep sympathy go to Larry's wonderful, understanding wife Margaret and to his children and grandchildren. All of us share their loss.

A memorial service for Larry will be held on Saturday morning. Further details can be obtained from the Joint Committee on Taxation.

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

Mr. ULLMAN. I will be happy to yield to the gentleman from New York.

Mr. CONABLE. Mr. Speaker, I want to join in the general feeling of sorrow at Larry's passing. He not only was a fine public servant, but he was just a first-class human being. Many of us are going to miss him, while we cherish our memories of working with him. I send my love and my profound sense of personal loss to his family.

Mr. BURKE of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Massachusetts.

Mr. BURKE of Massachusetts. Mr.

Speaker, I wish to join with the distinguished chairman of the House Ways and Means Committee in expressing my profound sorrow on the death of a great and dedicated man.

Mr. JONES of Oklahoma. Mr. Speaker, the Christmas season is a time of great joy, and also a time of great loss. Such a saddening loss has befallen the country with the sudden passing of Larry Woodworth from this life into the next. Larry's knowledge and honesty will be sorely missed by those both in and out of government.

Larry Woodworth was the acknowledged expert on tax law. But far from being a mere technician, Larry had the ability to relate complex issues of taxation to social and economic policies. His long hours of work and dedication while serving on the Joint Committee on Internal Revenue Taxation are legendary, and his reputation for integrity and forthrightness has never been questioned.

Beyond all this, Larry Woodworth was a friend of mine. His patience and consideration was extended to me as a freshman member of the Ways and Means Committee no less than it was to the chairman. He was a kind and effective teacher to those of us attempting to master the complex issues of taxation.

While we sometimes disagreed on matters of tax policy, Larry's competence and perseverance will be missed both by the Congress that relied on his wisdom for so long, and by the current administration that wisely sought his services. A giant has passed from our midst, and it is our extreme loss.

Mr. PICKLE. Mr. Speaker, all of us who have worked with Larry Woodworth feel a deep sense of loss at his death. Even those who have not worked with him or who never knew him will feel the loss because he is one of those servants in government no one can truly replace.

Larry Woodworth was a warm and cooperative man. He was one of the most decent individuals in all of government. And he was good. He could give a hurried and pressured Member of Congress a quick summation of any tax issue, and the Member could accept it with the confidence that it would be accurate, fair, and objective.

He clearly carried those qualities over to the Executive branch when he joined the Carter administration earlier this year.

We shall miss him as much as anybody who has ever served in the U.S. Government.

Mr. MOFFETT. Mr. Speaker, it was with a great deal of sadness that I learned of the death today of Laurence N. Woodworth, who has been serving as this country's Assistant Secretary of the Treasury for Tax Policy.

I have only recently gotten to know him professionally, largely as a result of our mutual involvement in helping to formulate national energy policy. Dr. Woodworth has testified before our Government Operations Committee and has taken an active role in the joint House-Senate conference committee now formulating the national energy policy act.

During the past few months, he has earned my respect and my admiration—he was a true professional, a recognized expert in his field. I know from my colleagues' comments that they too recognized Dr. Woodworth as a dedicated and devoted public servant. His long career, both on Capitol Hill and for the Carter administration, attest to his great value to this Nation.

I shall miss him, Mr. Speaker. All of us will miss him.

Mr. FRENZEL. Mr. Speaker, I would like to join in this tribute to Larry Woodworth, and second the remarks of the distinguished gentlemen from Oregon (Mr. ULLMAN) and New York (Mr. CONABLE).

Larry Woodworth was, indeed, a first-class human being. But he was in addition an enormously talented man whose great abilities contributed much to the people of this country.

As the top staff person to the Joint Committee on Internal Revenue Taxation for a decade and a half, he exercised extraordinary influence on changes in the tax code. As Treasury's tax policy expert, he did the same.

He was one of those rare individuals who was trusted completely by persons on both sides of the aisle, both sides of the Capitol, and at both ends of Pennsylvania Avenue.

Larry was a real gentleman who will be sorely missed by all who worked with him and by many who knew him only by his effective work.

GENERAL LEAVE

Mr. ULLMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to extend their remarks on the life, character, and public service of the late Dr. Laurence Woodworth.

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

There was no objection.

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

Mr. Speaker, House Resolution 916 provides for the consideration of S. 1340 in the House. The rule provides for 1 hour of general debate on the measure and the only amendments would be those offered by the floor manager of the bill unless he yielded for the purpose of further amendments. It is the intention of the Committee on Science and Technology to strike all after the enacting clause in S. 1340 and insert an amendment in the nature of a substitute which would incorporate all of the bill, S. 1181 except for certain modifications. S. 1181 was the ERDA Authorization Act for Civilian Applications that was vetoed on November 5, 1977, by the President. The modifications that will be offered to the text of S. 1811 will account for the objections that the President indicated at the time of his veto. Specifically those modifications will eliminate the funding authorization for the Clinch River breeder reactor project and language relating to that project, as well as, striking all of title V dealing with uranium enrichment services pricing which includes the one-house veto provision. Additionally the substitute to be offered changes all references to ERDA to read the Department of Energy.

The substitute provides for the funding of operational, plant, and capital expenses for the various research and development projects in the field of energy. It further provides for a grant program to foster municipal projects to convert waste to energy, establishes an automotive research and development program, and a loan guarantee program in the area of synthetic fuel production. The substitute provides for a total authorization of $6.1 billion for these vital programs.

Mr. Speaker, it is imperative that this authorization bill be acted on so that the important research and development programs in the field of energy can go forward. Therefore, Mr. Speaker, I urge the adoption of House Resolution 916 so that we might debate and vote on this important matter.

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

Mr. Speaker, the rules make it in order to take from the Speaker's table S. 1340, which authorizes appropriations to the Energy Research and Development Administration for energy research, development, demonstration, and related programs, and to consider the legislation in the House. Under this procedure there will be 1 hour of debate, and the manager of the bill will control the amendment process.

By way of explanation, S. 1340 passed the Senate on June 13 but was never referred by the House for action, since it contained only nonnuclear R. & D. authority. Later the Senate passed and forwarded to the House S. 1811, which included both nuclear and nonnuclear R. & D. programs for ERDA. Meanwhile, the House passed its own ERDA authorization language which was substituted into S. 1811. Both Houses subsequently approved the conference report, and the bill was sent to the President.

On November 5 the President vetoed S. 1811 primarily because it contained funding authority for the Clinch River breeder reactor and three legislative veto provisions.

Since the authorization for the new Department of Energy was included in S. 1811, the Committee on Science and Technology is seeking to use S. 1340 as a vehicle to reconsider the language of S. 1811 minus the provisions to which the President objects. The chairman of the Committee on Science and Technology stated before the Rules Committee that he would offer an amendment to S. 1340, once it is before the House, to incorporate the text of the vetoed bill less all funding for the Clinch River project and one legislative veto provision.

The new total authorization of $6,081,445,000 is $80 million below the vetoed measure.

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

Mr. YOUNG of Texas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The question was taken; and the

Speaker announced that the ayes appeared to have it.

Mr. THONE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 329, nays 18, not voting 87, as follows:

[Roll No. 771]

YEAS—329

Abdnor
Addabbo
Akaka
Alexander
Allen
Ammerman
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Applegate
Ashley
Aspin
AuCoin
Bafalis
Baldus
Beard, R.I.
Beard, Tenn.
Bedell
Benjamin
Bennett
Bevill
Biaggi
Bingham
Blanchard
Blouin
Boggs
Boland
Bonior
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Byron
Caputo
Carney
Carr
Carter
Cavanaugh
Cederberg
Chappell
Clausen, Don H.
Cleveland
Cochran
Cohen
Coleman
Collins, Ill.
Collins, Tex.
Conable
Conte
Corcoran
Corman
Cornell
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Delaney
Dellums
Derrick
Derwinski
Devine
Dicks
Dingell
Dodd
Dornan
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Calif.
Edwards, Okla.
Eilberg
Emery
Evans, Colo.
Evans, Del.
Evans, Ind.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Flippo
Flood
Florio
Flowers
Flynt
Foley
Ford, Mich.
Fountain
Fowler
Fraser
Frenzel
Gaydos
Giaimo
Gilman
Ginn
Glickman
Goldwater
Gonzalez
Goodling
Gore
Gradison
Gudger
Guyer
Hagedorn
Hamilton
Hanley
Hannaford
Harkin
Harrington
Harris
Harsha
Heckler
Hefner
Heftel
Hightower
Holland
Hollenbeck
Holt
Holtzman
Horton
Howard
Hubbard
Huckaby
Hughes
Hyde
Ichord
Ireland
Jacobs
Jeffords
Jenkins
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kemp
Ketchum
Keys
Kildee
Kindness
Kostmayer
Krebs
LaFalce
Lagomarsino
Le Fante
Leach
Lederer
Lehman
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lujan
Luken
McClory
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Maguire
Mahon
Mann
Marks
Marlenee
Martin
Mazzoli
Meyner
Michel
Mikva
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moore
Moorhead, Pa.
Mottl
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, John
Myers, Michael
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
O'Brien
Oakar
Oberstar
Ottinger
Panetta
Patten
Pattison
Pease
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Pursell
Rangel
Regula
Reuss
Rhodes
Richmond
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Rooney
Rose
Roybal
Rudd
Runnels
Santini
Schroeder
Schulze
Seiberling
Sharp
Shipley
Shuster
Sikes
Simon
Sisk
Skelton
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
St Germain
Staggers
Stangeland
Stanton
Stark
Steed
Steers
Steiger
Stockman
Stokes
Stratton
Studds
Stump
Taylor
Teague
Thompson
Thone
Thornton
Traxler
Treen
Trible
Tsongas
Tucker
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Waggonner
Walgren
Walsh
Watkins
Weiss
White
Whitehurst
Whitley
Whitten
Wiggins
Wilson, Tex.
Winn
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Mo.
Young, Tex.
Zablocki
Zeferetti

NAYS—18

Archer
Armstrong
Ashbrook
Badham
Bauman
Butler
Clawson, Del
Grassley
Hammer-schmidt
Hansen
Latta
McDonald
Moorhead, Calif.
Myers, Gary
Obey
Rousselot
Satterfield
Wampler

NOT VOTING—87

Ambro
Badillo
Barnard
Baucus
Bellenson
Bolling
Broyhill
Burton, John
Burton, Phillip
Chisholm
Clay
Conyers
Cornwell
Cotter
Crane
Cunningham
Danielson
Dent
Dickinson
Diggs
Downey
Edwards, Ala.
English
Erlenborn
Ertel
Evans, Ga.
Fithian
Ford, Tenn.
Forsythe
Frey
Fuqua
Gammage
Gephardt
Gibbons
Hall
Hawkins
Hillis
Kazen
Kelly
Koch
Krueger
Leggett
Lent
Livingston
Lott
Lundine
McCloskey
Madigan
Markey
Marriott
Mathis
Mattox
Meeds
Metcalfe
Mikulski
Milford
Montgomery
Moss
Nichols
Patterson
Quayle
Quie
Quillen
Rahall
Railsback
Risenhoover
Roncalio
Rosenthal
Rostenkowski
Ruppe
Russo
Ryan
Sarasin
Sawyer
Scheuer
Sebelius
Symms
Walker
Waxman
Weaver
Whalen
Wilson, Bob
Wilson, C. H.
Wirth
Wolff
Wright
Young, Alaska

The Clerk announced the following pairs:

Mr. Kazen with Mr. Broyhill.
Mr. Cornwell with Mr. Whalen.
Mr. Cotter with Mr. Gephardt.
Mr. Dent with Mr. Cunningham.
Mr. Ambro with Mr. Erlenborn.
Mr. English with Mr. Forsythe.
Mr. John L. Burton with Mr. Frey.
Mr. Danielson with Mr. Railsback.
Mr. Ertel with Mr. Dickinson.
Mr. Ford of Tennessee with Mr. Young of Alaska.
Mr. Badillo with Mr. Edwards of Alabama.
Mr. Diggs with Mr. Hillis.
Mr. Evans of Georgia with Mr. Walker.
Mr. Phillip Burton with Mr. Sawyer.
Mr. Fithian with Mr. Ruppe.
Mr. Nichols with Mr. Quillen.
Mr. Wirth with Mr. Roncalio.
Mr. Wolff with Mr. Sebelius.
Ms. Chisholm with Mr. Scheuer.
Mr. Gammage with Mr. Quie.
Mr. Downey with Mr. Sarasin.
Mr. Patterson of California with Mr. Waxman.
Mr. Barnard with Mr. Symms.
Mr. Clay with Mr. Bob Wilson.
Mr. Hall with Mr. McCloskey.
Mr. Hawkins with Mr. Marriott.
Mr. Conyers with Mr. Quayle.
Mr. Rahall with Ms. Mikulski.
Mr. Baucus with Mr. Mattox.
Mr. Rosenthal with Mr. Madigan.
Mr. Rostenkowski with Mr. Milford.
Mr. Bellenson with Mr. Markey.
Mr. Russo with Mr. Mathis.
Mr. Ryan with Mr. Montgomery.
Mr. Weaver with Mr. Lott.
Mr Charles H. Wilson of California with Mr. Wright.
Mr. Fuqua with Mr. Kelly.
Mr. Koch with Mr. Krueger.
Mr. Risenhoover with Mr. Lent.
Mr. Leggett with Mr. Livingston.
Mr. Moss with Mr. Metcalfe.
Mr. Lundine with Mr. Gibbons.
Mr. Meeds with Mr. Crane.

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION TO HAVE UNTIL MIDNIGHT DECEMBER 13, 1977, TO FILE REPORT ON H.R. 8729, AIRPORT AND AIRCRAFT NOISE REDUCTION ACT

Mr. ANDERSON of California. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation may have until midnight Tuesday, December 13, 1977, to file a report on H.R. 8729, the Airport and Aircraft Noise Reduction Act.

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

There was no objection.

GENERAL LEAVE

Mr. TEAGUE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and include extraneous matter on the Senate bill, S. 1340, Energy Research and Development Administration Authorization Act of 1977.

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

There was no objection.

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION AUTHORIZATION ACT OF 1977 AND 1978—CIVILIAN APPLICATIONS

Mr. TEAGUE. Mr. Speaker, pursuant to the provisions of House Resolution 916, I call up the Senate bill (S. 1340) to authorize appropriations to the Energy Research and Development Administration for energy research, development, demonstration, and related programs in accordance with section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, as amended, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The Clerk read the Senate bill, as follows:

S. 1340

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 "ERDA Authorization Act of 1978—Civilian Applications".

SEC. 2. In accordance with section 261 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2017), section 305 of the Energy Reorganization Act of 1974 (42 U.S.C. 5875), and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, as amended (42 U.S.C. 5915), there is hereby authorized to be appropriated to the Energy Research and Development Administration subject to titles I and II of this Act, the following:

TITLE I—FOR NONNUCLEAR ENERGY RESEARCH, DEVELOPMENT, DEMONSTRATION, AND RELATED ACTIVITIES

OPERATING EXPENSES

SEC. 101. For operating expenses, for the following programs, a sum equal to the total of the following amounts:

(1) Conservation research and development;

Electric energy systems and energy storage:

(a) Electric energy systems, $36,700,000.

(b) Energy storage systems, $49,900,000.

End use conservation and technologies to improve efficiency:

(a) Industrial energy conservation, $40,000,000.

(b) Buildings and community systems, $56,000,000: *Provided,* That $2,000,000 of such sums are hereby authorized for a research and development program in residential gas furnaces.

(c) Transportation energy conservation, $88,000,000, of which $2,000,000 shall be available to the Alternative Fuels Utilization Program for study of automotive utilization of alcohol fuels and blends: *Provided,* That, of those funds authorized, funds as may be necessary are hereby authorized for the Energy Research and Development Administration to conduct studies to determine the feasibility of utilizing existing distillery facilities or other types of refineries including but not limited to sugar refineries, in the implementation of programs to extend the supply of gasoline by means of a mixture of gasoline and alcohol: *Provided further,* That no more than two hundred electric vehicles may be purchased within the provisions of Public Law 94–413 utilizing funds made available in this section.

(d) Improved conversion efficiency, $78,200,000.

(e) Small grants for appropriate technology, $6,000,000.

Energy extension service:

(a) Energy extension service, $8,000,000.

(2) Fossil energy development:

Coal:

(a) Liquefaction, $107,000,000.

(b) High Btu gasification, $51,200,000.

(c) Low Btu gasification, $73,900,000: *Provided,* That the sum of $40,000,000 which represents the portion of the appropriations heretofore made in the total amount of $56,000,000 for project 76–1–a (clean boiler fuel demonstration plant (A–E) and long-lead procurement) which remains unobligated and is no longer needed is hereby authorized to be made available instead, in addition to any amounts appropriated for the purposes involved pursuant to this act for the low Btu gasification program.

(d) Advanced power systems, $25,500,000.

(e) Direct combustion, $65,200,000.

(f) Advanced research and supporting technology, $45,000,000: *Provided,* That of those funds authorized, funds as may be necessary are hereby authorized for the following purpose:

(1) The Administrator shall conduct a feasibility study of the technology and the commercial applications of the process of fine-grinding of coal and dry vegetable residues to four micron-size particles for the purpose of preparing these substances as clean burning fuels.

(2) In carrying out the feasibility study, the Administrator may provide for adequate participation by individuals, corporations and private and public research facilities, colleges and universities.

(3) A report of the findings together with recommendations for advancing the technology, if deemed appropriate by the Administrator, shall be submitted to the Congress as soon as possible but not later than January 1, 1978.

(g) Demonstration plants, $50,900,000.

(h) Magnetohydrodynamics, $80,000,000.

Petroleum and natural gas:

(a) Enhanced oil recovery, $46,100,000.

(b) Enhanced gas recovery, $30,000,000.

(c) Drilling, exploration and offshore technology, $1,600,000.

(d) Processing and utilization, $1,400,000.

Oil shale and in situ technology:

(a) Oil shale, $28,000,000.

(b) In situ coal gasification, $11,000,000: *Provided,* That, of those funds authorized for fossil energy development, and funds as may be necessary are hereby authorized for the Energy Research and Development Administration to conduct a study to determine the extent of the Nation's coal reserves, the general geographic location of such reserves and the cost of extracting said reserves.

(3) Solar energy development:

(a) Thermal applications, $107,700,000.

(b) Technology support and utilization, $12,000,000.

(c) Solar electric application, $178,900,000: *Provided,* That $7,500,000 of such sum are hereby authorized for design work for small community applications.

(d) Solar Energy Research Institute and Regional Centers. Tehre is hereby authorized from funds made available under subsections (a), (b), and (c) of this section an amount no less than $10,000,000 for the operation of the Solar Energy Research Institute and its associated regional centers.

(e) Fuels from biomass, $19,500,000; and under such rules and regulations as he may establish, the Administrator is authorized to guarantee a loan or loans for the demonstration of a 50 MW wood-fueled power generating facility.

(4) Geothermal energy development:

(a) Engineering research and development, $17,000,000.

(b) Resource exploration and assessment, $17,600,000.

(c) Hydrothermal technology applications, $32,000,000.

(d) Advanced technology applications, $23,500,000.

(e) Utilization experiments, $16,000,000.

(f) Environmental control and institutional studies, $8,100,000.

(g) Low head hydroelectric demonstration, $15,000,000.

PLANT AND CAPITAL EQUIPMENT

SEC. 102. For plant and capital equipment, including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following amounts:

(1) Conservation Research and Development:

Project 78–1–a, high bay addition, Los Alamos Scientific Laboratory, New Mexico, $800,000.

(2) Fossil Energy Development:

Project 78–2–a, analytical research, chemistry and coal carbonization laboratory, Pittsburgh Energy Research Center, Pennsylvania, $6,600,000.

Project 78–2–b, modifications and additions to Energy Research Centers, various locations, $3,000,000.

Project 78–2–c, low Btu fuel gas small industrial demonstration plants, sites undetermined (A–E and long-lead procurement only), $6,000,000.

Project 78–2–d, solvent refined coal demonstration plant, site undetermined (A–E and long-lead procurement only), $2,000,000.

(3) Capital Equipment Not Related to Construction:

(A) Conservation research and development $6,170,000.

(B) Fossil energy development, $5,500,000.

(C) Solar energy development, $7,900,000.

(D) Geothermal energy development, $2,500,000.

AMENDMENTS TO PRIOR YEAR ACTS

SEC. 103. (a) Public Law 94–187 is amended by:

(1) Striking from subsection 101(b)(1) project 76–1–b, high Btu synthetic pipeline gas demonstration plant, the words "(A–E and long-lead procurement)" and the figure, "$20,000,000", and striking from subsection 201(b)(1) "project 76–1–b, high Btu synthetic pipeline gas demonstration plant (A–E and long-lead procurement) $5,000,000", which authorized appropriations for this project totaling $25,000,000, and substituting therefor in subsection 101(b)(1), project 76–1–b, high Btu synthetic pipeline gas demonstration plant, the figure "$220,000,000".

(2) Striking from subsection 101(b)(1), project 76–1–c, low Btu fuel gas demonstration plant, the words "(A–E and long-lead procurement)" and the figure "$15,000,000", and striking from subsection 201(b)(1) the words and figures "project 76–1–c, low Btu fuel gas demonstration plant (A–E and long-lead procurement), $3,750,000," which authorized appropriations for this project totaling $18,750,000, and substituting therefor in subsection 101(b)(1), project 76–1–c, low Btu fuel gas demonstration plant, the figure "$150,000,000".

(3) Striking from subsection 101(b)(2), project 76–2–a, five megawatt solar thermal test facility, the figure "$5,000,000", and striking from subsection 201(b)(2) the words and figures "project 76–2–a, five megawatt solar thermal test facility, $1,250,000", which authorized appropriations for this project totaling $6,250,000, and substituting therefor in subsection 101(b)(2) the figure "$21,250,000", which is an increase of $3,000,000 over the amount authorized by Public Law 94–355, as amended.

(4) Striking from subsection 101(b)(2), project 76–2–b, ten megawatt central receiver solar thermal powerplant (A–E and long-lead procurement), the words "(A–E and long-lead procurement)" and the figure "$5,000,000", and striking from subsection 201(b)(2) the words and figures "project 76–2–b, ten megawatt central receiver solar thermal powerplant (A–E and long-lead procurement), $1,250,000" which authorized appropriations for this project totaling $6,250,000, and substituting therefor in subsection 101(b)(2), the words "Barstow, California," and the figure "$61,250,000": *Provided,* That if the solar electrical generating facility hereby supported contributes electricity to a distribution network serving the public on a commercial basis and if any Federal monetary contribution is included in the rate base for the purpose of computing return on capital investment to such utilities, that portion of the capital costs derived from Federal funds and included in the rate base shall be recovered with interest from the revenues of the solar facility.

(b) Project 77–1–d, MHD component development and integration facility, authorized by Public Law 94–373, is increased by $8,200,000 for a total authorization of $13,200,000.

TITLE II—FOR NONNUCLEAR ENVIRONMENTAL RESEARCH AND DEVELOPMENT, PROGRAM MANAGEMENT AND SUPPORT, AND RELATED PROGRAMS

OPERATING EXPENSES

SEC. 201. For operating expenses for the following programs, a sum equal to the total of the following amounts:

(1) Environmental research and development:

(a) Overview and assessment, $43,010,000.

(b) Biomedical and environmental research, $143,970,000, of which $1,000,000 shall be made available to the Water Resources Council to carry out the provisions of section 13 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5912), as amended.

(2) Life sciences research and biomedical applications, $38,113,000.

(3) Program management and support:

(a) Program direction, $257,100,000.

(b) Institutional relations, $30,179,000, including funds to reimburse the National Bureau of Standards for costs incurred in carrying out the provisions of section 14 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5913), as amended; and $1,800,000 is authorized to be appropriated pursuant to this paragraph (3) for financial awards by ERDA to independent inventors for the purpose of carrying out section 14 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5913), as amended.

(c) Supporting activities, $54,460,000.

(d) International cooperation, $5,000,000.

(4) Funds to carry out the provisions of section 11 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5910) in the amount of $500,000 for the Council on Environmental Quality.

PLANT AND CAPITAL EQUIPMENT

SEC. 202. For plant and capital equipment, including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following amounts:

(1) Environmental Research and Development:

Project 78-9-a, modifications and additions to biomedical and environmental research facilities, various locations, $6,000,000.

(2) Program Management and Support:

Project 78-1-b, chiller modifications for energy conservation, Bendix Plant, Kansas City, Missouri, $830,000.

Project 78-1-c, process waste heat utilization, gaseous diffusion plant, Paducah, Kentucky, $5,700,000.

Project 78-19-a, program support facility, Argonne National Laboratory, Illinois (A-E and long-lead procurement only), $5,000,000.

(3) Project 78-22, Construction Planning and Design, $10,000,000.

(4) Capital Equipment Not Related to Construction:

(A) Environmental research and development, $18,825,000.

(B) Program management and support, $5,155,000.

SEC. 203. The Administrator of the Energy Research and Development Administration, or its successor agency, is hereby authorized, to the extent and in such amounts as are provided in appropriation Acts, to enter into a cooperative arrangement with an interstate pipeline organization for participation in the construction and operation of a high Btu pipeline gas demonstration plant, utilizing the HYGAS steam-oxygen process and Illinois Basin type coal.

TITLE III—GENERAL PROVISIONS

SEC. 301. Funds appropriated pursuant to titles I and II of this Act may be used for the construction or acquisition of any facilities or major items of equipment, which may be required at locations other than installations of the Administration, for the performance of research, development and demonstration activities. Title to all such facilities and items of equipment shall remain in the United States, unless the Administrator or his designee determines in writing that the research, development and demonstration authorized by this Act shall best be implemented by permitting title or other such property interests to be in an entity other than the United States.

SEC. 302. Except as otherwise provided in this Act—

(a) no amount appropriated pursuant to this Act may be used for any program in excess of the amount actually authorized for that particular program by this Act,

(b) no amount appropriated pursuant to this Act may be used for any program which has not been presented to, or requested of, the Congress,

unless (1) a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after the receipt by the appropriate committees of the House of Representatives and the Senate of notice given by the Administrator containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or (2) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

SEC. 303. The Administrator is authorized to start any project set forth in title I, subsections 102 (1) and (2), and in title II, subsection 202 (1) and (2), only if the currently estimated cost of that project does not exceed by more than 25 per centum the estimated cost set forth for the project. Further, the total cost of any project undertaken under these subsections shall not exceed the estimated cost set forth for that project by more than 25 per centum unless and until additional appropriations are authorized: *Provided*, That this subsection will not apply to any project with an estimated cost less than $5,000,000.

SEC. 304. Subject to the applicable requirements and limitations of this Act, when so specified in appropriations Acts amounts appropriated for the Administration pursuant to this Act for "Operating expenses" or for "Plant and capital equipment" may be merged with any other amounts appropriated for like purposes pursuant to any other Act authorizing appropriations for the Administration.

SEC. 305. When so specified in appropriations Acts, amounts appropriated pursuant to this Act for "Operating expenses" or for "Plant and capital equipment" may remain available until expended.

SEC. 306. Amounts appropriated pursuant to this Act for activities under subsections 201(3) and 202(3) are available for use, when necessary, in connection with all Administration programs.

SEC. 307. The Administrator is authorized to perform construction design services for any Administration construction project whenever (a) such construction project has been included in a proposed authorization bill transmitted to the Congress by the Administration, and (b) the Administration determines that the project is of such urgency in order to meet the needs of national defense or protection of life and property or health and safety that construction of the project should be initiated promptly upon enactment of legislation appropriating funds for its construction.

SEC. 308. When so specified in appropriations Acts, any moneys received by the Administration may be retained and used for operating expenses (except sums received from disposal of property under the Atomic Energy Community Act of 1955 and the Strategic and Critical Materials Stockpiling Act, as amended, and fees received for tests or investigations under the Act of May 16, 1910, as amended (42 U.S.C. 2301; 50 U.S.C. 98h; 30 U.S.C. 7)), notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484), and may remain available until expended.

SEC. 309. When so specified in appropriations Acts, transfers of sums from the "Operating expenses" appropriation may be made to other agencies of the Government for the performance of the work for which the appropriation is made, and in such cases the sums so transferred, may be merged with the appropriations to which transferred.

SEC. 310. (a) Section 7(a) of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5906) is amended—

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

(2) by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and", and

(3) by adding at the thereof the following new paragraph:

"(7) Federal loan guarantees and commitments thereof as provided in section 19.".

(b) The Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901, et seq.) is further amended by adding at the end thereof the following new section:

"LOAN GUARANTEES FOR ALTERNATIVE FUEL DEMONSTRATION FACILITIES

"SEC. 19. (a) It is the purpose of this section—

"(1) to assure adequate Federal support to foster a demonstration program to produce alternative fuels from coal, oil shale, and other domestic resources;

"(2) to authorize assistance, through loan guarantees under subsection (b) for construction and startup and related costs, to demonstration facilities for the conversion of domestic coal, oil shale, biomass, and other domestic resources into alternative fuels; and

"(3) to gather information about the technological, economic, environmental, and social costs, benefits, and impacts of such demonstration facilities.

"(b)(1) Except as provided in paragraph (5) of this subsection, the Administrator is authorized, in accordance with such rules and regulations as he shall prescribe after consultation with the Secretary of the Treasury, to guarantee and to make commitments to guarantee, in such manner and subject to such conditions (not inconsistent with the provisions of this Act) as he deems appropriate, the payment of interest on, and the principal balance of, bonds, debentures, notes, and other obligations issued by, or on behalf of, any borrower for the purpose of financing the construction and startup costs of demonstration facilities for the conversion of domestic coal, oil shale, biomass, and other domestic resources into alternative fuels: *Provided*, That no loan guarantee for a full sized oil shale facility shall be provided under this section until after successful demonstration of a modular facility producing between six and ten thousand barrels per day, taking into account such considerations as water usage, environmental effects, waste disposal, labor conditions, health and safety, and the socioeconomic impacts on local communities: *Provided further*, That no loan guarantee shall be available under this subsection for the manufacture of component parts for demonstration facilities eligible for assistance under this subsection.

"(2) An applicant for any financial assistance under this section shall provide information to the Administrator in such form and with such content as the Administrator deems necessary.

"(3) Prior to issuing any guarantee under this section the Administrator shall obtain the concurrence of the Secretary of the Treasury with respect to the timing, interest rate, and substantial terms and conditions of such guarantee. The Secretary of the Treasury shall insure to the maximum extent feasible that the timing, interest rate, and substantial terms and conditions of such guarantee will have the minimum possible impact on the capital markets of the United States, taking into account other Federal direct and indirect securities activities.

"(4) The full faith and credit of the United States is pledged to the payment of all guarantees issued under this section with respect to principal and interest.

"(5)(A) The Administrator is authorized, in the case of a facility for the conversion of oil shale to alternative fuels which is determined by the Administrator pursuant to the proviso in paragraph (1)(A) of this subsection, to be constructed at a modular size, to enter into a cooperative agreement with the applicant in accordance with section 8 of this Act and the other provisions of this Act to share the estimated total design and construction costs, plus operation and maintenance costs, of such modular facility. The Federal share shall not exceed 75 per centum of such costs. All receipts for the sale of any products produced during the operation of the facility shall be used to offset the costs incurred in the operation and maintenance of the facility. The provisions of subsections (d), (e), (k), (m), (p), (s), (t), (u), (v), (w), and (x) shall apply to any such modular facility. The provisions of this section shall apply to any loan guarantee for such modular facility.

"(B) After successful demonstration of the modular facility, as determined by the Administrator, the facility is eligible for financial assistance under this section for purposes of expansion to a full sized facility and the applicant may purchase the Federal interest in the modular facility as represented by the Federal share thereof by means of (i) a cash payment to the United States, or (ii) a share of the product or sales resulting from such expanded operation, as determined by the Administrator. If expansion of such facility is determined not to be warranted by the Administrator, he may, at the option of the applicant, dispose of the modular facility to the applicant at not less than fair market value, as determined by the Administrator as of the date of the disposal, or otherwise dispose of it, in accordance with applicable provisions of law, and distribute the net proceeds thereof, after expenses of such disposal, to the applicant in proportion to the applicant's share of the costs of such facility.

"(6) To the extent possible, loan guarantees shall be issued on the basis of competitive bidding among guarantee applicants in a particular technology area.

"(c) The Administrator, with due regard for the need for competition, shall guarantee or make a commitment to guarantee any obligation under subsection (b) only if—

"(1) the Administrator is satisfied that the financial assistance applied for is necessary to encourage financial participation;

"(2) the amount guaranteed to any borrower at any time does not exceed—

"(A) an amount equal to 75 per centum of the project cost of the demonstration facility as estimated at the time the guarantee is issued, which cost shall not include amounts expended for facilities and equipment used in the extraction of a mineral other than coal or shale, and in the case of coal only to the extent that the Administrator determines that the coal is to be converted to alternative fuel; and

"(B) an amount equal to 60 per centum of that portion of the actual total project cost of any demonstration facility which exceeds the project cost of such facility as estimated at the time the loan guarantee is issued;

"(3) the Administrator has determined that there will be a continued reasonable assurance of full repayment;

"(4) the obligation is subject to the condition that it not be subordinated to any other financing;

"(5) the Administrator has determined, taking into consideration all reasonably available forms of assistance under this section and other Federal and State statutes, that the impacts resulting from the proposed demonstration facility have been fully evaluated by the borrower, the Administrator, and the Governor of the affected State, and that effective steps have been taken or will be taken in a timely manner to finance community planning and development costs resulting from such facility under this section, under other provisions of law, or by other means;

"(6) the maximum maturity of the obligation does not exceed twenty years, or 90 per centum of the projected useful economic life of the physical assets of the demonstration facility covered by the guarantee, whichever is less, as determined by the Administrator;

"(7) the Administrator has determined that, in the case of any demonstration or modular facility planned to be located on Indian lands, the appropriate Indian tribe, with the approval of the Secretary of the Interior, has given written consent to such location;

"(8) the obligation provides for the orderly and ratable retirement of the obligation and includes sinking fund provisions, installment payment provisions or other methods of payments and reserves as may be reasonably required by the Administrator. Prior to approving any repayment schedule the Administrator may consider the date on which operating revenues are anticipated to be generated by the project. To the maximum extent possible repayment or provision therefor shall be required to be made in equal payments payable at equal intervals; and

"(9) the obligation provides that the Administrator shall, after a period of not less than ten years from issuance of the obligation, taking into consideration whether the Government's needs for information to be derived from the project have been substantially met and whether the project is capable of commercial operation, determine the feasibility and advisability of terminating the Federal participation in the project. In the event that such determination is positive, the Administrator shall notify the borrower and provide the borrower with not less than two nor more than three years in which to find alternative financing. At the expiration of the designated period of time, if the borrower has been unable to secure alternative financing, the Administrator is authorized to collect from the borrower an additional fee of 1 per centum per annum on the remaining obligation to which the Federal guarantee applies.

"(d) Prior to submitting a report to Congress pursuant to subsection (m) of this section on each guarantee and cooperative agreement, the Administrator shall request from the Attorney General and the Chairman of the Federal Trade Commission written views, comments, and recommendations concerning the impact of such guarantee or commitment or agreement on competition and concentration in the production of energy and give due consideration to views, comments, and recommendations received: *Provided*, That if either official, within sixty days after receipt of such request or at any time prior to the Administrator submitting such report to Congress, recommends against making such guarantee or commitment or agreement, the proposed guarantee or commitment or agreement shall be referred to the President, and the Administrator shall not do so unless the President determines in writing that such guarantee or commitment or agreement is in the national interest.

"(e)(1) As soon as the Administrator knows the geographic location of a proposed facility for which a guarantee or a commitment to guarantee or cooperative agreement is sought under this section, he shall inform the Governor of the State, and officials of each political subdivision and Indian tribe, as appropriate, in which the facility would be located or which would be impacted by such facility. The Administrator shall not guarantee or make a commitment to guarantee or enter into a cooperative agreement under subsection (b) of this section, if the Governor of the State in which the proposed facility would be located recommends that such action not be taken, unless the Administrator finds that there is an overriding national interest in taking such action in order to achieve the purpose of this section. If the Administrator decides to guarantee or make a commitment to guarantee or enter enter into a cooperative agreement despite a Governor's recommendation not to take such action, the Administrator shall communicate, in writing, to the Governor reasons for not concurring with such recommendation. This Administrator's decision, pursuant to this subsection, shall be final unless determined upon judicial review initiated by the Governor to be unlawful by the reviewing court pursuant to 5 U.S.C. 706(2) (A) through (D). Such review shall take place in the United States court of appeals for the circuit in which the State involved is located, upon application made within ninety days from the date of such decision. The Administrator shall, by regulation, establish procedures for review of, and comment on, the proposed facility by States, local political subdivisions, and Indian tribes which may be impacted by such facility, and the general public.

"(2) The Administrator shall review and approve the plans of the applicant for the construction and operation of any demonstration and related facilities constructed or to be constructed with assistance under this section. Such plans and the actual construction shall include such monitoring and other data-gathering costs associated with such facility as are required by the comprehensive plan and program under this section. The Administrator shall determine the estimated total cost of such demonstration facility, including, but not limited to, construction costs, startup costs, costs to political subdivisions and Indian tribes by such facility, and costs of any water storage facilities needed in connection with such demonstration facility, and determine who shall pay such costs. Such determination shall not be binding upon the States, political subdivisions, or Indian tribes.

"(3) There is hereby established a panel to advise the Administrator on matters relating to the program authorized by this section, including, but not limited to, the impact of the demonstration facilities on communities and States and Indian tribes, the environmental and health and safety effects of such facilities, and the means, measures, and planning for preventing or mitigating such impacts, and other matters relating to the development of alternative fuels and other energy sources under this section. The panel shall include such Governors or their designees as shall be designated by the Chairman of the National Governors Conference, Representatives of Indian tribes, industry, environmental organizations, and the general public shall be appointed by the Administrator. The Chairman of the panel shall be selected by the Administrator. No person shall be appointed to the panel who has a financial interest in any applicant applying for as-

sistance under this section. Members of the panel shall serve without compensation. The provisions of section 106(e) of the Energy Reorganization Act of 1974 (42 U.S.C. 5816 (e)) shall apply to the panel.

"(f) Except in accordance with reasonable terms and conditions contained in the written contract of guarantee, no guarantee issued or commitment to guarantee made under this section shall be terminated, canceled, or otherwise revoked. Such a guarantee or commitment shall be conclusive evidence that the underlying obligation is in compliance with the provisions of this section and that such obligation has been approved and is legal as to principal, interest, and other terms. Subject to the conditions of the guarantee or commitment to guarantee, such a guarantee shall be incontestable in the hands of the holder of the guaranteed obligation, except as to fraud or material misrepresentation on the part of the holder.

"(g)(1) If there is a default by the borrower, as defined in regulations promulgated by the Administrator and in the guarantee contract, the holder of the obligation shall have the right to demand payment of the unpaid amount from the Administrator. Within such period as may be specified in the guarantee or related agreements, the Administrator shall pay to the holder of the obligation the unpaid interest on, and unpaid principal of, the guaranteed obligation as to which the borrower has defaulted, unless the Administrator finds that there was no default by the borrower in the payment of interest or principal or that such default has been remedied. Nothing in this section shall be construed to preclude any forebearance by the holder of the obligation for the benefit of the borrower which may be agreed upon by the parties to the guaranteed obligation and approved by the Administrator.

"(2) If the Administrator makes a payment under paragraph (1) of this subsection, the Administrator shall be subrogated to the rights of the recipient of such payment (and such subrogation shall be expressly set forth in the guarantee or related agreements), including the authority to complete, maintain, operate, lease, or otherwise dispose of any property acquired pursuant to such guarantee or related agreements, or any other property of the borrower (of a value equal to the amount of such payment) to the extent that the guarantee applies to amounts in excess of the estimated project cost under subsection (c)(2)(B), without regard to the provisions of the Federal Property and Administrative Services Act of 1949, as amended, except section 207 of that Act (40 U.S.C. 488), or any other law, or to permit the borrower, pursuant to an agreement with the Administrator, to continue to pursue the purposes of the demonstration facility if the Administrator determines that this is in the public interest. The rights of the Administrator with respect to any property acquired pursuant to such guarantee or related agreements, shall be superior to the rights of any other person with respect to such property.

"(3) In the event of a default on any guarantee under this section, the Administrator shall notify the Attorney General, who shall take such action as may be appropriate to recover the amounts of any payments made under paragraph (1) including any payment of principal and interest under subsection (h) from such assets of the defaulting borrower as are associated with the demonstration facility, or from any other security included in the terms of the guarantee.

"(4) For purposes of this section, patents, including any inventions for which a waiver was made by the Administrator under section 9 of this Act, and technology resulting from the demonstration facility, shall be treated as project assets of such facility. The guarantee agreement shall include such detailed terms and conditions as the Administrator deems appropriate to protect the interests of the United States in the case of default and to have available all the patents and technology necessary for any person selected, including, but not limited to, the Administrator, to complete and operate the defaulting project. Furthermore, the guarantee agreement shall contain a provision specifying that patents, technology, and other proprietary rights which are necessary for the completion or operation of the demonstration facility shall be available to the United States and its designees on equitable terms, including due consideration to the amount of the United States default payments. Inventions made or conceived in the course of or under such guarantee, title to which is vested in the United States under this Act, shall not be treated as project assets of such facility for disposal purposes under this subsection, unless the Administrator determines in writing that it is in the best interest of the United States to do so.

"(h) With respect to any obligation guaranteed under this section, the Administrator is authorized to enter into a contract to pay, and to pay, holders of the obligations, for and on behalf of the borrowers, from the fund established by this section, the principal and interest payments which become due and payable on the unpaid balance of such obligation if the Administrator finds that—

"(1) the borrower is unable to meet such payments and is not in default; it is in the public interest to permit the borrower to continue to pursue the purposes of such demonstration facility; and the probable net benefits to the Federal Government in paying such principal and interest will be greater than that which would result in the event of a default;

"(2) the amount of such payment which the Administrator is authorized to pay shall be no greater than the amount of principal and interest which the borrower is obligated to pay under the loan agreement; and

"(3) the borrower agrees to reimburse the Administrator for such payment on terms and conditions, including interest, which are satisfactory to the Administrator.

"(i) Regulations required by this section shall be issued within one hundred and eighty days after enactment of this section, except as provided in subsection (t) of this section. All regulations under this section and any amendments thereto shall be issued in accordance with section 553 of title 5, of the United States Code.

"(j) The Administrator shall charge and collect fees for guarantees of obligations authorized by subsection (b)(1), in amounts which (1) are sufficient in the judgment of the Administrator to cover the applicable administrative costs, and (2) reflect the percentage of projects costs guaranteed. In no event shall the fee be less than 1 per centum per annum of the outstanding indebtedness covered by the guarantee. Nothing in this subsection shall be construed to apply to community planning and development assistance pursuant to subsection (k) of this section.

"(k)(1) In accordance with such rules and regulations as the Administrator in consultation with the Secretary of the Treasury shall prescribe, and subject to such terms and conditions as he deems appropriate, the Administrator is authorized, for the purpose of financing essential community development and planning which directly result from, or are necessitated by, one or more demonstration facilities assisted under this section to—

"(A) guarantee and make commitments to guarantee the payment of interest on, and the principal balance of, obligations for such financing issued by eligible States, political subdivisions, or Indian tribes,

"(B) guarantee and make commitments to guarantee the payment of taxes imposed on such demonstration facilities by eligible non-Federal taxing authorities which taxes are earmarked by such authorities to support the payment of interest and principal on obligations for such financing, and

"(C) require that the applicant for assistance for a demonstration facility under this section advance sums to eligible States, political subdivisions, and Indian tribes to pay for the financing of such development and planning: *Provided*, That the Senate, political subdivision, or Indian tribe agrees to provide tax abatement credits over the life of the facilities for such payments by such applicant.

"(2) Prior to issuing any guarantee under this subsection, the Administrator shall obtain the concurrence of the Secretary of the Treasury with respect to the timing, interest rate, and substantial terms and conditions of such guarantee. The Secretary of the Treasury shall insure to the maximum extent feasible that the timing, interest rate, and substantial terms and conditions of such guarantee will have the minimum possible impact on the capital markets of the United States, taking into account other Federal direct and indirect securities activities.

"(3) In the event of any default by the borrower in the payment of taxes guaranteed by the Administrator under this subsection, the Administrator shall pay out of the fund established by this section such taxes at the time or times they may fall due, and shall have by reason of such payment a claim against the borrower for all sums paid plus interest.

"(4) If after consultation with the State, political subdivision, or Indian tribe, the Administrator finds that the financial assistance programs of paragraph (1) of this subsection will not result in sufficient funds to carry out the purposes of this subsection, then the Administrator may—

"(A) make direct loans to the eligible State, political subdivisions, or Indian tribes for such purposes: *Provided*, That such loans shall be made on such reasonable terms and conditions as the Administrator shall prescribe: *Provided further*. That the Administrator may waive repayment of all or part of a loan made under this paragraph, including interest, if the State or political subdivision or Indian tribe involved demonstrates to the satisfaction of the Administrator that due to a change in circumstances there will be net adverse impacts resulting from such demonstration facility that would probably cause such State, subdivision, or tribe to default on the loan; or

"(B) require that any community development and planning costs which are associated with, or result from, such demonstration facility and which are determined by the Administrator to be appropriate for such inclusion shall be included in the total cost of the demonstration facility.

"(5) The Administrator is further authorized to make grants to State, political subdivisions, or Indian tribes for studying and planning for the potential economic, environmental, and social consequences of demonstration facilities, and for establishing related management expertise.

"(6) At any time the Administrator may, with the concurrence of the Secretary of the Treasury, redeem, in whole or in part, out of the fund established by this section, the debt obligations guaranteed or the debt obligations for which tax payments are guaranteed under this subsection.

"(7) When one or more State, political subdivisions, or Indian tribes would be eligible for assistance under this subsection, but for the fact that construction and operation of the demonstration facilities occurs outside its jurisdiction, the Administrator

is authorized to provide, to the greatest extent possible, arrangements for equitable sharing of such assistance.

"(8) Such amounts as may be necessary for direct loans and grants pursuant to this subsection shall be available as provided in annual authorization Acts.

"(9) The Administrator, if appropriate, shall provide assistance in the financing of up to 100 per centum of the costs of the required community development and planning pursuant to this subsection.

"(10) In carrying out the provisions of this subsection, the Administrator shall provide that title to any facility receiving financial assistance under this subsection shall vest in the applicable State, political subdivision, or Indian tribe, as appropriate, and in the case of default by the borrower on a loan guarantee such facility shall not be considered a project asset for the purposes of subsection (g) of this section.

"(l)(1) The Administrator is directed to submit a report to the Congress within one hundred and eighty days after the enactment of this section setting forth his recommendations on the best opportunities to implement a program of Federal financial assistance with the objective of demonstrating production and conservation of energy. Such report shall be updated and submitted to Congress at least annually and shall include specific comments and recommendations by the Secretary of the Treasury on the methods and procedures set forth in subparagraph (B)(viii) of this subsection, including their adequacy, and changes necessary to satisfy the objectives stated in this subsection. This report shall include—

"(A) a study of the purchase or commitment to purchase by the Federal Government, for the use by the United States, of all or a portion of the products of any alternative fuel facilities constructed pursuant to this program as a direct or an alternate form of Federal assistance, which assistance, if recommended, shall be carried out pursuant to section 7(a)(4) of this Act; and

"(B) a comprehensive plan and program to acquire information and evaluate the environmental, economic, social, and technological impacts of the demonstration program under this section. In preparing such a comprehensive plan and program, the Administrator shall consult with the Environmental Protection Agency, the Federal Energy Administration, the Department of Housing and Urban Development, the Department of the Interior, the Department of Agriculture, and the Department of the Treasury, and shall include therein, but not be limited to, the following:

"(i) information about potential demonstration facilities proposed in the program under this section;

"(ii) any significant adverse impacts which may result from any activity included in the program;

"(iii) the extent to which it is feasible to commercialize the technologies as they affect different regions of the Nation;

"(iv) proposed regulations required to carry out the purposes of this section;

"(v) a list of Federal agencies, governmental entities, and other persons that will be consulted or utilized to implement the program;

"(vi) the methods and procedures by which the information gathered under the program will be analyzed and disseminated;

"(vii) a plan for the study and monitoring of the health effects of such facilities on workers and other persons, including, but not limited to, any carcinogenic effect of alternative fuels; and

"(viii) the methods and procedures to insure that (I) the use of the Federal assistance for demonstration facilities is kept to the minimum level necessary for the information objective of this section, (II) the impact of loan guarantees on the capital markets of the United States is minimized, taking into account other Federal direct and indirect securities activities, and any economic sectors which may be negatively impacted as a result of the reduction of capital by the placement of guaranteed loans, and (III) the granting of Federal loan guarantees under this Act does not impede movement toward improvement in the climate for attracting private capital to develop alternative fuels without continued direct Federal incentives.

"(2) The Administrator shall annually submit a detailed report to the Congress concerning—

"(A) the actions taken or not taken by the Administrator under this section during the preceding fiscal year, and including, but not be limited to (i) a discussion of the status of each demonstration facility and related facilities financed under this section, including progress made in the development of such facilities, and the expected or actual production from each such facility, including byproduct production therefrom, and the distribution of such products and byproducts, (ii) a detailed statement of the financial conditions of each such demonstration facility, (iii) data concerning the environmental, community, and health and safety impacts of each such facility and the actions taken or planned to prevent or mitigate impacts, (iv) the administrative and other costs incurred by the Administrator and other Federal agencies in carrying out this program, and (v) such other data as may be helpful in keeping Congress and the public fully and currently informed about the program authorized by this section; and

"(B) the activities of the fund referred to in subsection (n) of this section during the presiding fiscal year, including a statement of the amount and source of fees or other moneys, property, or assets deposited into the funds, all payments made, the notes or other obligations issued by the Administrator, and such other data as may be appropriate.

"(3) The annual reports required by this subsection shall be a part of the annual report required by section 15 of this Act, except that the matters required to be reported by this subsection shall be clearly set out and identified in such annual reports. Such reports and the one-hundred-and-eighty-day report required in paragraph (1) of this subsection shall be transmitted to the Speaker of the House of Representatives and the House Committee on Science and Technology and to the President of the Senate and the Committee on Energy and Natural Resources of the Senate.

"(m) Prior to issuing any guarantee or commitment to guarantee or cooperative agreement pursuant to subsection (b) of this section, the Administrator shall submit to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a full and complete report on the proposed demonstration facility and such guarantee, agreement, or contract. Such guarantee, commitment to guarantee, cooperative agreement, or contract shall not be finalized under the authority granted by this section prior to the expiration of ninety calendar days (not including any day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain) from the date on which such report is received by such committees: *Provided*, That, where the cost of a demonstration facility to be assisted with a guarantee or cooperative agreement pursuant to subsection (b) of this section exceeds $50,000,000 such guarantee or commitment to guarantee or cooperative agreement shall not be finalized unless (1) the making of such guarantee or commitment or agreement is specifically authorized by legislation hereafter enacted by the Congress or (2) both Houses pass a resolution stating in substance that the Congress favors the making of such guarantee or commitment or agreement.

"(n)(1) There is hereby created within the Treasury a separate fund (hereafter in this section called the 'fund') which shall be available to the Administrator without fiscal year limitation as a revolving fund for the purpose of carrying out the program authorized by subsection (b)(1) and subsections (g), (h), and (k) of this section.

"(2) There are hereby authorized to be appropriated to the fund for administrative expenses from time to time such amounts as may be necessary to carry out the purposes of the applicable provisions of this section, including, but not limited to, the payments of interest and principal and the payment of interest differentials and redemption of debt. All amounts received by the Administrator as interest payments or repayments of principal on loans which are guaranteed under this section, fees, and any other moneys, property, or assets derived by him from operations under this section shall be deposited in the fund.

"(3) All payments on obligations, appropriate expenses (including reimbursements to other Government accounts), and repayments pursuant to opertaions of the Administrator under this section shall be paid from the fund subject to appropriations. If at any time the Administrator determines that moneys in the fund exceed the present and reasonably foreseeable future requirements of the fund, such excess shall be transferred to the general fund of the Treasury.

"(4) If at any time the moneys available in the fund are insufficient to enable the Administrator to discharge his responsibilities as authorized by subsections (b)(1), (g), and (h) of this section, the Administrator shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary of the Treasury. Redemption of such notes or obligations shall be made by the Administrator from appropriations or other moneys available under paragraph (2) of this subsection for loan guarantees authorized by subsection (b)(1) and subsections (g), (h), and (k) of this section. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, which shall be not less than a rate determined by taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection.

"(5) The provisions of this subsection do not apply to direct loans or planning grants made under subsection (k) of this section.

"(o) For the purposes of this section, the term—

"(1) 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, or any territory or possession of the United States,

"(2) 'United States' means the several States, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa, and

"(3) 'borrower' or 'applicant' shall include any individual, firm, corporation, company,

partnership, association, society, trust, joint venture, joint stock company, or other non-Federal entity.

"(p)(1) An applicant seeking a guarantee or cooperative agreement under subsection (b) of this section must be a citizen or national of the United States. A corporation, partnership, firm, or association shall not be deemed to be a citizen or national of the United States unless the Administrator determines that it satisfactorily meets all the requirements of section 802 of title 46, United States Code, for determining such citizenship, except that the provisions in subsection (a) of such section 802 concerning (A) the citizenship of officers or directors of a corporation, and (B) the interest required to be owned in the case of a corporation, association, or partnership operating a vessel in the coastwise trade, shall not be applicable.

"(2) The Administrator, in consultation with the Secretary of State, may waive such requirements in the case of a corporation, partnership, firm, or association, controlling interest in which is owned by citizens of countries which are participants in the International Energy Agreement.

"(q) No part of the program authorized by this section shall be transferred to any other agency or authority, except pursuant to Act of Congress enacted after the date of enactment of this section.

"(r) Inventions made or conceived in the course of or under a guarantee authorized by this section shall be subject to the title and waiver requirement and conditions of section 9 of this Act.

"(s) Nothing in this section shall be construed as affecting the obligations of any person receiving financial assistance pursuant to this section to comply with Federal and State environmental, land use, water, and health and safety laws and regulations or to obtain applicable Federal and State permits, licenses, and certificates.

"(t) The information maintained by the Administrator under this section shall be made available to the public subject to the provision of section 552 of title 5, United States Code, and section 1905 of title 18, United States Code, and to other Government agencies in a manner that will facilitate its dissemination: *Provided*, That upon a showing satisfactory to the Administrator by any person that any information, or portion thereof obtained under this section by the Administrator directly or indirectly from such person would, if made public, divulge (1) trade secrets or (2) other proprietary information of such person, the Administrator shall not disclose such information and disclosure thereof shall be punishable under section 1905 of title 18, United States Code: *Provided further*, That the Administrator shall, upon request, provide such information to (A) any delegate of the Administrator for the purpose of carrying out this Act, and (B) the Attorney General, the Secretary of Agriculture, the Secretary of the Interior, the Federal Trade Commission, the Federal Energy Administration, the Environmental Protection Agency, the Federal Power Commission, the General Accounting Office, other Federal agencies, or heads of other Federal agencies, when necessary to carry out their duties and responsibilities under this and other statutes, but such agencies and agency heads shall not release such information to the public. This section is not authority to withhold information from Congress, or from any committee of Congress upon request of the Chairman. For the purposes of this subsection, the term 'person' shall include the borrower.

"(u) Notwithstanding any other provision of this section, the authority provided in this section to make guarantees or commitments to guarantee or enter into cooperative agreements under subsection (b)(1), to make guarantees or commitments to guarantee, or to make loans or grants, under subsection (k), to make contracts under subsection (h), and to use fees and receipts collected under subsections (b) and (j) of this section, and the authorities provided under subsection (n) of this section, shall be effective only to the extent provided, without fiscal year limitation, in appropriation Acts enacted after the date of enactments of this section.

"(v) No person in the United States shall on the grounds of race, color, religion, national origin, or sex, be excluded from participation in, be denied benefits of, or be subject to discrimination under any program or activity funded in whole or in part with assistance made available under this section: *Provided*, That Indian tribes are exempt from the operation of this subsection: *Provided further*, That such exemption shall be limited to the planting and provision of public facilities which are located on reservations and which are provided for members of the affected Indian tribes as the primary beneficiaries.

"(w) In carrying out his functions under this section, the Administrator shall provide a realistic and adequate opportunity for small business concerns to participate in the program to the optimum extent feasible consistent with the size and nature of each project.

"(x)(1)(A) Recipients of financial assistance under this section shall keep such records and other pertinent documents, as the Administrator shall prescribe by regulation, including, but not limited to, records which fully disclose the disposition of the proceeds of such assistance, the cost of any facility, the total cost of the provision of public facilities for which assistance was used and such other records as the Administrator may require to facilite an effective audit. The Administrator and the Comptroller General of the United States or their duly authorized representatives shall have access, for the purpose of audit, to such records and other pertinent documents.

"(B) Within 6 months after the date of enactment of this section and at 6-month intervals thereafter, the Comptroller General of the United States shall make an audit of recipients of financial assistance under this section. The Comptroller General may prescribe such regulations as he deems necessary to carry out this subparagraph.

"(2) All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance under this section shall be paid wages at rates not less than those prevailing on similar construction on the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 13, 1934, as amended (48 Stat 948; 40 U.S.C. 276 (c)).

"(y) For purposes of this section 'biomass' shall include, but is not limited to, animal and timber waste, urban and industrial waste, sewerage sludge, and oceanic and terrestrial crops.".

SEC. 311. In order to provide economic farm units to qualifying farmers whose land is economically infeasible to reclaim from damages resulting from the Teton flood of June 5, 1976, and who are unable to find suitable replacement land for their flood damaged farm, and in order to restore the economic and agricultural base of the flood damaged region, there is hereby transferred 5.955 acres of land, hereinafter described, in the State of Idaho presently under the jurisdiction of the Energy Research and Development Administration, to the Secretary of the Interior who, acting through the Bureau of Reclamation, shall make such lands available for sale to qualifying farmers according to the terms hereafter provided.

Part I. As used in this Act, the term:

(a) "Teton flood" means the flood resulting from the collapse of Teton Dam of the Lower Teton Division of the Teton Basin Federal Reclamation Project on June 5. 1976.

(b) "Energy Research and Development Administration land" means those public and acquired lands in the State of Idaho identified as sections numbered fourteen (14), twenty-three (23), twenty-four (24), twenty-five (25), and thirty-six (36), in township six (6) north, of range thirty-three (33) east of the Boise meridian; sections numbered nineteen (19), thirty (30), and thirty-one (31) in township six (6) north, of range thirty-four (34) east of the Boise meridian; and the southeast quarter, the south half of the northeast quarter, the east half of the southwest quarter and the southeast quarter of the northwest quarter, of section numbered eight (8) and the south half and the south half of the north half of section numbered nine (9) in township five (5) north, of range thirty-four (34) east of the Boise meridian, all situated in the county of Jefferson and State of Idaho, and containing 5,955 acres, more or less, which would be transferred for the purposes of this Act.

(c) "Qualifying farmer" means the resident, owner-operator of a farm who resides in the immediate locality, whose livelihood is derived from his farming operation and whose land was damaged due to the collapse of the Teton Dam on June 5, 1976, to the extent that in the opinion of the Secretary of the Interior, it is not economically feasible to reclaim such land so that it produces an income comensurate with that earned prior to the Teton flood.

(d) "Irrigable land" means farm land that is suitable for irrigated agriculture and has been certified as irrigable by the Secretary of the Interior.

Part II. For a period of not more than five years after transfer to the Bureau of Reclamation, the land heretofore described shall be available for purchase by those who, on or before October 1, 1978, are determined to be qualifying farmers pursuant to regulations issued in accordance with part V of this Act by the Secretary of the Interior.

Part III. Energy Research and Development Administration land as described in part I(b) of this Act shall be certified as irrigable by the Secretary of the Interior, and lands so certified shall be made available in a manner to be prescribed by the Secretary for purchase by qualifying farmers at its current fair market value as determined by a board of appraisers composed of a Federal appraiser, a State appraiser, and one appraiser from the disaster region: *Provided*, That irrigable land transferred to a single ownership shall not exceed 160 acres of class I land as defined by the Secretary or the equivalent thereof in other land classes as determined by the Secretary. The United States, through the Secretary, shall convey fee simple title of the Energy Research and Development Administration land to the qualifying farmer. The cost of developing the replacement land for farming shall be borne by the qualifying farmer who purchases the land.

Part IV. Any part of the Energy Research

and Development Administration land remaining in the possession of the Bureau of Reclamation at the end of the five year period, except land needed for public rights-of-way, as determined by the Secretary, shall be returned to the Energy Research and Development Administration.

Part V. Within ninety days after the enactment of this Act the Secretary shall prescribe and publish in the Federal Register such rules and regulations as may be necessary and proper to carry out the provisions of this Act.

Part VI. Full recovery for the loss of all or part of flood-damaged farms shall be obtained by owners pursuant to the Teton Dam Disaster Assistance Act of 1976, Public Law 94-400, 94 Stat. 1211, and the Supplemental Appropriation Act of 1976, Public Law 94-438, 90 Stat. 1415.

Part VII. Actions taken pursuant to this Act are in response to emergency conditions and depend for their effectiveness upon their prompt completion and, therefore, are deemed not only to be major Federal actions significantly affecting the quality of the human environment for purposes of the National Environmental Policy Act of 1969 (83 Stat. 852, as amended, 42 U.S.C. 4321).

Part VIII. There is hereby authorized to be appropriated such sums as may be necessary for the purposes of administration of this Act.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. TEAGUE

Mr. TEAGUE. Mr. Speaker, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment in the nature of a substitute offered by Mr. TEAGUE: Strike all after the enacting clause and insert the following:

"That this Act may be cited as the 'Department of Energy Act of 1978—Civilian Applications'."

SEC. 2. In accordance with section 261 of the Atomic Energy Act of 1954 (42 U.S.C. 2017), section 305 of the Energy Reorganization Act of 1974 (42 U.S.C. 5875), and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5915), there is hereby authorized to be appropriated to the Department of Energy, for energy research, development and demonstration, and related activities, the sum of $6,081,445,000.

TITLE I—ENERGY RESEARCH, DEVELOPMENT, AND DEMONSTRATION, AND RELATED ACTIVITIES

OPERATING EXPENSES

SEC. 101. For "Operating expenses", for the following programs, a sum of dollars equal to the total of the following amounts:

Fossil Energy Development

(1) Coal:

(A) Coal liquefaction, $107,000,000.

(B) High Btu gasification (coal), $51,200,000.

(C) Low Btu gasification (coal), $73,900,000.

(D) Advanced power systems, $25,500,000.

(E) Direct combustion (coal), $65,200,000.

(F) Advanced research and supporting technology, $50,000,000: *Provided*, That of those funds authorized, funds as may be necessary are hereby authorized for the following purpose: The Secretary of Energy shall conduct a feasibility study of the technology and the commercial applications of the process of fine grinding of coal and dry vegetable residues for the purpose of preparing these substances as clean burning fuels.

(G) Demonstration plants and major test facilities (coal), $60,900,000.

(H) Magnetohydrodynamics, $70,800,000: *Provided*, That at least 5 percent of the amount appropriated for magnetohydrodynamics shall be expended for closed cycle technology.

(2) Petroleum and natural gas:

(A) Enhanced oil recovery, $46,100,000.

(B) Enhanced gas recovery, $30,000,000.

(C) Drilling, exploration and offshore technology, $7,600,000.

(D) Processing and utilization, $1,400,000.

(3) Oil shale and in situ technology:

(A) Oil shale, $28,000,000.

(B) In situ coal gasification, $19,000,000.

Solar Energy Development

(4) Thermal applications, $104,700,000, including $94,400,000 for heating and cooling of buildings.

(5) Fuels from biomass, $20,500,000; and under such rules and regulations as he may establish, the Department of Energy is authorized to guarantee a loan or loans for the demonstration of a 50 MW wood-fueled power generating facility.

(6) Other Solar Energy Programs, $219,700,000, including $7,000,000 for a parallel design of a 1500 kilowatt wind energy conversion system and the production of two test units, and $203,700,000 for other solar electric applications: *Provided*, That $7,500,000 of such sum is hereby authorized for design work for small community applications.

Geothermal Energy Development

(7) Engineering research and development, $15,500,000.

(8) Resource exploration and assessment, $17,600,000.

(9) Hydrothermal technology applications, $28,000,000.

(10) Advanced technology applications, $24,300,000.

(11) Utilization experiments, $16,000,000.

(12) Environmental control and institutional studies, $8,100,000.

(13) Low head hydroelectric program, $15,000,000.

Conservation Research and Development

(14) Electric energy systems and energy storage:

(A) Electric energy systems, $36,800,000.

(B) Energy storage systems, $48,500,000.

(15) End use conservation and technologies to improve efficiency:

(A) Industrial energy conservation, $38,000,000.

(B) Buildings and community systems, $59,500,000: *Provided*, That $2,000,000 of such sum are hereby authorized for a research and development program in residential gas and oil furnaces.

(C) Transportation energy conservation, $87,000,000, of which $1,000,000 shall be available to the Alternative Fuels Utilization Program for study of automotive utilization of alcohol fuels and blends: *Provided*, That, of those funds authorized for the Alternative Fuel Utilization Program, funds as may be necessary are hereby authorized for the Department of Energy to conduct studies to determine the feasibility of utilizing existing distillery facilities or other types of refineries including but not limited to sugar refineries, in the implementation of programs to extend the supply of gasoline by means of a mixture of gasoline and alcohol.

(D) Improved conversion efficiency, $69,700,000.

(16) Energy extension service, $8,000,000.

(17) Small grants for appropriate technology, $8,000,000.

Environment and Safety Research and Development

(18) Environmental and Safety Research and Development:

(A) Overview and Assessment, $50,010,000.

(B) Environmental Research, $143,970,000.

(C) Life Sciences Research, $38,113,000.

(D) Decontamination and Decommissioning, $19,000,000.

Nuclear Research and Development

(19) Magnetic fusion, $207,900,000.

(20) Fuel cycle research and development, $363,885,000, including $20,000,000 for international spent fuel disposition, pursuant to section 107 and including $13,000,000 for research, development, assessment, evaluation, and other activities at the Barnwell Nuclear Fuels Plant related to alternative fuel cycle technologies, safeguard systems, spent fuel storage and waste management, except that none of the authorized funds may be used for operations of the plant to process spent fuel from reactors.

(21) Liquid metal fast breeder reactor, $333,300,000: *Provided*, That $5,000,000 of such sums are hereby authorized for research and development on means to reduce the ability to divert plutonium from its intended purposes and to increase the detectability of plutonium if it should be so diverted.

(22) Nuclear research and applications, $228,829,000.

(23) Light water reactor safety facilities, $24,000,000.

(24) High energy physics, nuclear physics, and basic energy sciences, $413,394,000.

(25) Nuclear materials security and safeguards, $40,106,000.

(26) Uranium enrichment, $989,185,000.

All Other Programs, $444,604,000, including—

(27) (i) Not more than $1,000,000 for the Water Resources Council to carry out the provisions of section 13 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5912);

(ii) Funds to carry out the provisions of section 11 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5910), in the amount of $500,000 for the Council on Environmental Quality; and

(iii) Program management and support:

(a) Program direction, $222,900,000.

(b) Institutional relations, $34,179,000, including funds to reimburse the National Bureau of Standards for costs incurred in carying out the provisions of section 14 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5913), as amended and including $1,800,000, is authorized to be appropriated pursuant to this paragraph (iii) for financial awards by the Department of Energy to independent inventors for the purpose of carrying out section 14 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5913) as amended.

(c) Supporting activities, $37,460,000.

(d) International cooperation, $5,000,000

Prior Year Authorizations

(28) The sum of $40,000,000 which represents the portion of the appropriations heretofore made in the total amount of $56,000,000 for project 76-1-a (clean boiler fuel demonstration plant (A-E) and long-lead procurement) which remains unobligated and is no longer needed is hereby authorized to be made available instead, in addition to any amounts appropriated for the purposes involved pursuant to this Act for the low Btu gasification program.

PLANT AND CAPITAL EQUIPMENT

SEC. 102. (a) For "Plant and capital equipment", including construction, acquisition, or modification of facilities, including land acquisition; and acquisition and fabrication of capital equipment not related to construction, a sum of dollars equal to the total of the following amounts:

(1) Conservation Research and Development:

(A) Project 78-1-a, high bay addition, Los

Alamos Scientific Laboratory, New Mexico, $800,000.

(2) Fossil Energy Development:

(A) Project 78-2-a, analytical research, chemistry and coal carbonization laboratory, Pittsburgh Energy Research Center, Pennsylvania, $6,600,000.

(B) Project 78-2-b, modifications and additions to Energy Research Centers, various locations, $3,000,000.

(C) Project 78-2-c, low Btu fuel gas small industrial demonstration plants, sites undetermined (A-E and long-lead procurement only), $6,000,000.

(D) Project 78-2-d, solvent refined coal demonstration plant, site undetermined (total estimated cost is $300,000,000, including the Federal share thereof), $30,000,000.

(3) Magnetic Fusion:

(A) Project 78-3-a, a mirror fusion test facility, Lawrence Livermore Laboratory, California, $94,200,000.

(B) Project 78-3-b, fusion materials irradiation test facility, Hanford Engineering Development Laboratory, Washington (A-E and long-lead procurement), $14,400,000.

(4) Fuel Cycle Research and Development:

(A) Project 78-3-a, a mirror fusion test tional waste terminal storage program, site undetermined (land acquisition, A-E and long-lead procurement), $10,000,000.

(B) Project 78-5-b, liquid metal fast breeder reactor integrated prototype equipment test facility, Oak Ridge National Laboratory, Oak Ridge, Tennessee (A-E and long-lead procurement only), $3,000,000.

(C) Project 78-5-c, advanced isotope separation facility, site undetermined (A-E only), $3,500,000.

(5) Liquid Metal Fast Breeder Reactor:

(A) Project 78-6-a, modifications to reactors, $8,700,000.

(B) Project 78-6-b, safeguards and security upgrading, Idaho Falls, Idaho and Chicago, Illinois, $4,935,000.

(C) Project 78-6-c, safety research experimental facility, Idaho National Engineering Laboratory, Idaho (A-E, long-lead procurement and limited construction only), $20,100,000.

(D) Project 78-6-d, experimental breeder reactor II modification, Idaho Falls, Idaho (A-E and selected long-lead procurement only), $3,100,000.

(E) Project 78-6-e, modifications to facilities, Liquid Metal Engineering Center, Santa Susanna, California (A-E only), $4,000,000.

(F) Project 78-6-j, fuels and materials examination facility, Hanford Engineering Development Laboratory, Washington, $134,800,000.

(G) Project 78-7-a, modifications to utility system 300 area, Hanford Engineering Development Laboratory, Washington, $3,600,000.

(H) Project 78-7-b, test reactor area steam distribution system upgrade, Idaho National Engineering Laboratory, Idaho, $1,100,000.

(6) Light Water Reactor Safety Facilities:

(A) Project 78-8-a, upgrade Test Area North hot shop facility, Idaho National Engineering Laboratory, Idaho, $3,400,000.

(7) Environmental Research and Development:

(A) Project 78-9-a, modifications and additions to biomedical and environmental research facilities, various locations, $6,000,000.

(8) High Energy Physics:

(A) Project 78-10-a, accelerator improvements and modifications, various locations, $4,500,000.

(B) 78-10-b, proton-proton intersecting storage accelerator facility, Brookhaven National Laboratory, $10,500,000.

(C) Project 78-11-a, master substation reliability and capacity improvements, Stanford Linear Accelerator Center, California, $1,700,000.

(9) Nuclear Physics:

(A) Project 78-12-a, accelerator and reactor improvements and modifications, various locations, $1,900,000.

(B) Project 78-12-b, high intensity uranium beams, Lawrence Berkeley Laboratory, California, $6,000,000.

(10) Basic Energy Sciences:

(A) Project 78-13-a, national synchrotron light source, Brookhaven National Laboratory, New York, $24,000,000.

(B) Project 78-13-b, combustion research facility, Sandia Laboratories, Livermore, California, $9,400,000.

(11) Uranimum Enrichment:

(A) Project 78-14-a, centrifuge facilities modifications, various locations, $30,000,000.

(B) Project 78-14-b, process control modifications, plants, various locations, $17,400,000.

(C) Project 78-15-a, water system improvements, gaseous diffusion plant, Paducah, Kentucky, $4,500,000.

(12) Program Management and Support:

(A) Project 78-1-b, chiller modifications for energy conservation, Bendix Plant, Kansas City, Missouri, $830,000.

(B) Project 78-1-c, process waste heat utilization, gaseous diffusion plant, Paducah, Kentucky, $5,700,000.

(C) Projects 78-19-a, program support facility, Argonne National Laboratory, Illinois (A-E and long-lead procurement only), $5,000,000.

(13) Project 78-21, General Plant Projects, $44,265,000.

(14) Project 78-22, Construction Planning and Design, $10,000,000.

(15) Capital Equipment Not Related to Construction:

(A) Conservation research and development, $8,670,000.

(B) Fossil energy development, $5,500,000.

(C) Solar energy development, $7,900,000.

(D) Geothermal energy development, $2,500,000.

(E) Magnetic fusion, $27,600,000.

(F) Fuel cycle research and development, $25,300,000.

(G) Liquid metal fast breeder reactor, $35,650,000.

(H) Nuclear research and applications, $18,595,000.

(I) Light water reactor safety facilities, $800,000.

(J) High energy physics, nuclear physics, and basic energy sciences, $61,300,000.

(K) Nuclear materials, security and safeguards, $2,794,000.

(L) Uranium enrichment, $19,000,000.

(M) Environmental research and development, $19,025,000.

(N) Program management and support, $4,955,000.

CHANGES TO PRIOR YEAR AUTHORIZATIONS

(b)(1) There is authorized an additional sum of $100,000,000 for the process equipment modifications, gaseous diffusion plants (project 71-1-f), authorized by section 101(b)(1) of Public Law 91-273 (for a total project authorization of $920,000,000).

(2) There is authorized an additional sum of $42,700,000 for the cascade uprating program, gaseous diffusion plants (project 74-1-g), authorized by section 101(b)(1) of Public Law 93-60 (for a total project authorization of $460,000,000).

(3) There is authorized an additional sum of $30,000,000 for the high Btu synthetic pipeline gas demonstration plant (project 76-1-b) authorized by section 101(b)(1) of Public Law 94-187 (for a total project authorization of $55,000,000).

(4) There is authorized an additional sum of $131,250,000 for the low Btu fuel gas demonstration plant (project 76-1-c) authorized by section 101(b)(1) of Public Law 94-187 (for a total project authorization of $150,000,000).

(5) There is authorized an additional sum of $41,000,000 for the ten megawatt central receiver solar thermal powerplant, Barstow, California (project 76-2-b), authorized by section 101(b)(2) of Public Law 94-187 (for a total project authorization of $47,250,000): Provided, That if the solar electrical generating facility hereby supported contributes electricity to a distribution network serving the public on a commercial basis and if any Federal monetary contribution is included in the rate base for the purpose of computing return on capital investment to such utilities, that portion of the capital costs derived from Federal funds and included in the rate base shall be recovered with interest from the revenues of the solar facility.

(6) There is authorized an additional sum of $24,000,000 for the Tokamak fusion test reactor, Princeton Plasma Physics Laboratory, Plainsboro, New Jersey (project 76-5-a), authorized by section 101(b)(5) of Public Law 94-187 (for a total project authorization of $238,600,000).

(7) There is authorized an additional sum of $1,750,000 for the conversion of existing steamplants to coal capability, gaseous diffusion plants and Feed Materials Production Center, Fernald, Ohio (project 76-8-e), authorized by section 101(b)(8) of Public Law 94-187 (for a total project authorization of $15,250,000).

(8) There is authorized an additional sum of $107,630,000 for the enriched uranium production facilities, gas centrifuge (project 76-8-g), authorized by section 101(b)(8) of Public Law 94-187 (for a total project authorization of $362,630,000).

(9) There is authorized an additional sum of $5,500,000 for the MHD component development and integration facility (project 77-1-d) authorized by Public Law 94-373 (for a total project authorization of $13,200,000).

(10) There is authorized an additional sum of $5,000,000 for the high performance fuel laboratory, Richland, Washington (A-E only) (project 77-4-c) (for a total project authorization of $6,500,000).

(11) There is authorized an additional sum of $23,000,000 for the fuel storage facility, Richland, Washington (project 77-4-d) (for a total project authorization of $30,000,000).

(12) There is authorized an additional $3,200,000 for the 14 Mev intense neutron source facility, Los Alamos Scientific Laboratory, New Mexico (project 76-5-b) authorized by Public Law 94-187 (for a total project authorization of $25,300,000).

SEC. 103. Public Law 93-276, as amended, is further amended by rescinding therefrom authorization for project 75-5-g, molten salt breeder reactor (preliminary planning preparatory to possible future demonstration project), $1,500,000, except for any funds heretofore obligated.

SEC. 104(a). Notwithstanding any other provision of law, jurisdiction over matters transferred to the Department of Energy from the Energy Research and Development Administration which on the effective date of such transfer were required by law, regulation, or administrative order to be made on the record after an opportunity for an agency hearing may be assigned to the Federal Energy Regulatory Commission or retained by the Secretary at his discretion.

(b) Notwithstanding any other provision of law, the Secretary of Energy shall not be required to delegate to the Administrator of the Energy Information Administration any energy research, development, and demonstration function vested in the Secretary, pursuant to the Atomic Energy Act, the Federal Nonnuclear Energy Research and Development Act, the Geothermal Research, Development and Demontrastion Act, the Elec-

tric and Hybrid Vehicle Research, Development and Demonstration Act, the Solar Heating and Cooling Demonstration Act, the Solar Energy Research, Development and Demonstration Act, and the Energy Reorganization Act. Additionally, the Secretary may utilize the capabilities of the Energy Information Administration as he deems appropriate for the conduct of such programs.

(c) As part of the Department of Energy's responsibility to keep the Congress fully and currently informed, the Secretary shall make the following reports:

(i) any proposal by the Secretary of the Department of Energy to terminate or make major changes in activities of the Government-owned and contractor-operated facilities, the national laboratories, energy research centers and the operations offices managing such laboratories, shall not be implemented until the Secretary transmits the proposal, together with all pertinent data, to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate, and waits a period of thirty calendar days (not including any day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain) from the date on which such report is received by such committees; and

(ii) by January 31, 1978, the Secretary shall file a full and complete report on each such proposal which he has implemented, as described in the preceding paragraph, and any major program structure change with the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate.

SEC. 105. (a) The Secretary of Energy shall prepare and submit to the Congress within one year after the date of the enactment of this Act a study which considers the available options, including, but not limited to—

(1) Federal technical and financial aid in support of decommissioning high level waste disposal operations at the Western New York Nuclear Service Center;

(2) Federal operation of the Western New York Nuclear Service Center for the purposes of decommissioning existing facilities and disposing of existing high level wastes, including a demonstration program for the solidification of high level wastes for permanent burial;

(3) permanent Federal ownership of and responsibility for all or part of the Western New York Nuclear Service Center, and Federal receipt of the license from the present co-licensees; and

(4) use of the Western New York Nuclear Service Center for other purposes.

(b) Preparation of such study shall be in cooperation with the Nuclear Regulatory Commission and other Federal agencies, the State of New York, the industrial participants, and the public, and the Secretary of Energy shall conduct informational public hearings (in lieu of any formal administrative hearings) prior to completion of the study. The study shall recommend allocation of existing and future responsibilities among the Federal Government, the State of New York, and present industrial participants in the Western New York Nuclear Service Center.

(c) Ninety days prior to submission of the study to the Congress the Secretary of Energy shall release the proposed study for comment by interested parties, and such comments as are received shall be submitted as attachments to the final study submitted to the Congress.

(d) Nothing in this section shall be construed as intending to commit the Federal Government to any new assistance or participation in the Western New York Nuclear Service Center, nor as relieving any party of any duties or responsibilities under any law, regulation, or contract to provide for the safe storage of nuclear waste.

(e) For the purpose of carrying out the provisions of this section, there is included in subsection 101(20) of this Act authorization of appropriations in the amount of $1,000,000.

SEC. 106. (a) The Department of Energy shall conduct a study of the Barnwell Nuclear Fuel Plant located in South Carolina to determine if that facility may be utilized in support of the nonproliferation objectives of the United States.

(b) The study required under subsection (a) shall—

(1) include an evaluation of the multinational and international management options available for utilizing the Barnwell facility;

(2) include an evaluation of how Barnwell facility might be used to contribute to the INFCE, including preliminary studies on siting and design for adajacent facilities to the Barnwell Separations Plant to solidify liquid waste and mixed-oxide evolving from the chemical separations process (these preliminary efforts being consistent with similar efforts undertaken as part of the INFCE);

(3) include an evaluation of a possible role for the IAEA in utilization of Barnwell facility for international non-proliferation programs;

(4) include an evaluation of the means by which the Barnwell facility could be used in demonstration of improved safeguards equipment and proceedings;

(5) include an evaluation of how the Barnwell facility can be used to complement the U.S.-approved research and development program at the Japanese Tokai Mura Reprocessing Plant, and non-proliferation research activities to be undertaken at the British Windscale Reprocessing Plant; and

(6) include an evaluation of whether and how the Barnwell facility might be transferred to the Federal Government.

(c) In carrying out the study required under subsection (a) due consideration shall be given to the impact which the effective and efficient use of resources and the independence of resource supply can have in assuring our national security objectives.

(d) The study shall be completed and a report submitted to the Congress not later than six months after the date that funds are appropriated for carrying out the purposes of this section. In addition, the report shall include recommendations and funding requirements to implement recommended programs resulting from such study.

(e) For the purpose of carrying out the provisions of this section, there is included in subsection 101(20) of this Act an authorization of appropriations in the amount of $1,000,000.

SEC. 107. The Department of Energy is hereby authorized to undertake studies, in cooperation with other nations, on a multinational or international basis designed to determine the general feasibility of expanding capacity of existing spent fuel storage facilities; to enter into agreements, subject to the consent of the Congress (by joint or concurrent resolution or legislation hereafter enacted), with other nations or groups of nations, for providing appropriate support to increase international or multinational spent fuel storage capacity; to conduct studies on the feasibility of establishing regional storage sites; and to conduct studies on international transportation and storage systems. For the purpose of carrying out the provisions of this section, there is included in subsection 101(20) of this Act authorization of appropriations in the amount of $20,000,000: *Provided*, notwithstanding any other provision of law, that none of the funds made available to the Secretary of Energy under any other authorization or appropriation Act shall be used, directly or indirectly, for the repurchase, transportation or storage of any foreign spent nuclear fuel (including any nuclear fuel irradiated in any nuclear power reactor located outside of the United States and operated by any foreign legal entity, government or nongovernment, regardless of the legal ownership or control of the fuel or the reactor, and regardless of the origin or licensing of the fuel or the reactor, but not including fuel irradiated in a research reactor, and not including fuel irradiated in a power reactor if the President determines that (1) use of funds for repurchase, transportation or storage of such fuel is required by an emergency situation, (2) it is in the interest of the common defense and security of the United States to take such action, and (3) he notifies the Congress of the determination and action, with a detailed explanation and justification thereof, as soon as possible) unless the President formally notifies, with the report information specified herein, the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Natural Resources of the Senate and the Committee on Science and Technology of the House of Representatives of such use of funds thirty calendar days, during such time as either House of Congress is in session, before the commitment, expenditure, or obligation of such funds; and provided further, notwithstanding any other provision of law, that none of the funds appropriated pursuant to this Act or any other funds made available to the Secretary of Energy under any other authorization or appropriation Act shall be used, directly or indirectly, for the repurchase, transportation, or storage of any such foreign spent nuclear fuel for storage or other disposition, interim or permanent, in the United States, unless the use of the funds for that specific purpose has been (1) previously and expressly authorized by Congress in legislation hereafter enacted, (2) previously and expressly authorized by a concurrent resolution, or (3) the President submits a plan for such use, with the report information specified herein, 30 days during which the Congress is in continuous session, as defined in the Impoundment Control Act of 1974, prior to such use and neither House of Congress approves a resolution of disapproval of the plan prior to the expiration of the aforementioned thirty day period. If such a resolution of disapproval has been introduced, but has not been reported by the Committee on or before the twentieth day after transmission of the Presidential message, a privileged motion shall be in order in the respective body to discharge the Committee from further consideration of the resolution and to provide for its immediate consideration, using the procedures specified for consideration of an impoundment resolution in section 1017 of the Impoundment Control Act of 1974 (31 U.S.C. 1407). Any report or plan proposed under this proviso shall include information and any supporting documentation thereof relating to policy objectives, technical description and discussion, geographic information, cost data, justification and projections, legal and regulatory considerations, environmental impact information and any related bilateral or international agreements, arrangements or understandings; and provided further that nothing contained in this Section shall be construed in any Executive Branch action, administrative proceeding, regulatory proceeding, or legal proceeding as being intended to delay, modify, or reverse the Memorandum

and Order of the Nuclear Regulatory Commission of June 28, 1977 for the issuance of License No. XSNM-845 to the agent-applicant for the Government of India and the subsequent export thereby licensed of the special nuclear material to be used as fuel for the Tarapur Atomic Power Station or any other Order of the Nuclear Regulatory Commission to issue a license for the export of special nuclear material and subsequent exports thereby licensed, or any consideration by the Nuclear Regulatory Commission of a license application for the export of special nuclear material.

TITLE II—GENERAL PROVISIONS

SEC. 201. Title I of the Energy Reorganization Act of 1974 is amended by adding at the end thereof the following new section:

"PROVISIONS APPLICABLE TO ANNUAL AUTHORIZATION ACTS

"SEC. 111. (a) All appropriations made to the Energy Research and Development Administration of the Administrator shall, except as otherwise provided by law, be subject to annual authorization in accordance with section 261 of the Atomic Energy Act of 1954, section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and section 305 of this Act. The provisions of this section shall apply with respect to appropriations made pursuant to the Act providing such authorization (hereinafter in this section referred to as 'annual authorization Acts').

"(b)(1) Funds appropriated pursuant to an annual authorization Act for 'Operating expenses' may be used for—

"(A) the construction or acquisition of any facilities, or major items of equipment, which may be required at locations other than installations of the Administration, for the performance of research, development, and demonstration activities, and

"(B) grants to any organization for purchase or construction of research facilities. No such funds shall be used under this subsection for the acquisition of land. Fee title to all such facilities and items of equipment shall be vested in the United States, unless the Administrator or his designee determines in writing that the research, development, and demonstration authorized by such Act would best be implemented by permitting fee title or any other property interest to be vested in an entity other than the United States; but before approving the vesting of such title or interest in such entity, the Administrator shall (i) transmit such determination, together with all pertinent data, to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate and (ii) wait a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain), unless prior to the expiration of such period each such committee has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

"(2) No funds shall be used under paragraph (1) for any facility or major item of equipment, including collateral equipment, if the estimated cost to the Federal Government exceeds $5,000,000 in the case of such a facility or $2,000,000 in the case of such an item of equipment, unless such facility or item has been previously authorized by the appropriate committees of the House of Representatives and the Senate, or the Administrator—

"(A) transmit to the appropriate committees of the House of Representatives and the Senate a report on such facility or item showing its nature, purpose, and estimated cost, and

"(B) waits a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain), unless prior to the expiration of such period each such committee has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

"(c)(1) Not to exceed 1 per centum of all funds appropriated pursuant to any annual authorization Act for 'Operating expenses' may be used by the Administrator to construct, expand, or modify laboratories and other facilities, including the acquisition of land, at any location under the control of the Administrator, if the Administrator determines that (A) such action would be necessary because of changes in the national programs authorized to be funded by such Act or because of new scientific or engineering developments, and (B) deferral of such action until the enactment of the next authorization Act would be inconsistent with the policies established by Congress for the Administration.

"(2) No funds may be obligated for expenditure or expended under paragraph (1) for activities described in such paragraph unless—

"(A) a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after the Administrator has transmitted to the appropriate committees of the House of Representatives and the Senate a written report containing a full and complete statement concerning (i) the nature of the construction, expansion, or modification involved, (ii) the cost thereof, including the cost of any real estate action pertaining thereto, and (iii) the reason why such construction, expansion, or modification is necessary and in the national interest, or

"(B) each such committee before the expiration of such period has transmitted to the Administrator a written notice to the effect that such committee has no objection to the proposed section;

except that this paragraph shall not apply to any project the estimated total cost of which does not exceed $50,000.

"(d)(1) Except as otherwise provided in the authorization Act involved—

"(A) no amount appropriated pursuant to any annual authorization Act may be used for any program in excess of the amount actually authorized for that particular program by such Act, and

"(B) no amount appropriated pursuant to any annual authorization Act may be used for any program which has been presented to, or requested of the Congress, unless (i) a period of thirty calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after the receipt by the appropriate committee of the House of Representatives and the Senate of notice given by the Administrator containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action, or (ii) each such committee before the expiration of such period has transmitted to the Administrator written notice to the effect that such committee has no objection to the proposed action.

"(2) Notwithstanding any other provision of this section or the authorization Act involved, the aggregate amount available for us within the categories of coal, petroleum and natural gas, oil shale, solar geothermal, nuclear energy (non-weapons), environment and safety, and conservation from sums appropriated pursuant to an annual authorization Act may not, as a result of reprogramming, be decreased by more than 10 per centum of the total of the sums appropriated pursuant to such Act for those categories.

"(e) Subject to the applicable requirements and limitations of this section and the authorization Act involved, when so specified in an appropriation Act, amounts appropriated pursuant to any annual authorization Act for 'Operating expenses' or for 'Plant and capital equipment' may be merged with any other amounts appropriated for like purposes pursuant to any other Act authorizing appropriation for the Administration: *Provided*, That no such amounts appropriated for 'plant and capital equipment' may be merged with amounts appropriated for 'operating expenses.'

"(f) When so specified in an appropriation Act, amounts appropriated pursuant to any annual authorization Act for 'Operating expenses' or for 'Plant and capital equipment' may remain available until expended.

"(g) The Administrator is authorized to perform construction design services for any administration construction project whenever (1) such construction project has been included in a proposed authorization bill transmitted to the Congress by the Administration, and (2) the Administration determines that the project is of such urgency in order to meet the needs of national defense or protection of life and property or health and safety that construction of the project should be initiated promptly upon enactment of legislation appropriating funds for its construction.

"(h) When so specified in appropriation Acts, any moneys received by the Administration may be retained and used for operating expenses, and may remain available until expended, notwithstanding the provisions of section 3617 of the Revised Statutes (31 U.S.C. 484); except that—

"(1) this subsection shall not apply with respect to sums received from disposal of property under the Atomic Energy Community Act of 1955 or the Strategic and Critical Materials Stockpiling Act, as amended, or with respect to fees received for tests or investigations under the Act of May 16, 1910, as amended (42 U.S.C. 2301; 50 U.S.C. 98h; 30 U.S.C. 7); and

"(2) revenues received by the Administration from the enrichment of uranium shall (when so specified) be related and used for the specific purpose of offsetting costs incurred by the Administration in providing uranium enrichment service activities.

"(i) When so specified in an appropriation Act, transfers of sums from the 'Operating expenses' appropriation made pursuant to an annual authorization Act may be made to other agencies of the Government for the performance of the work for which the appropriation is made, and in such cases the sums so transferred may be merged with the appropriations to which they are transferred.".

Sec. 202. (a) The Secretary of Energy is authorized to start any project set forth in section 102(a) (1) through (12) only if at the time the project is started the then currently estimated cost does not exceed by more than 25 per centum the estimated cost set forth for that project; and the total cost of any such project shall not exceed the estimated cost set forth for that project by more than 25 per centum (if such estimated cost was $5,000,000 or more) unless and until appropriations covering such excess are authorized.

(b) The Secretary of Energy is authorized to start any project under section 102(a)(13) only if the maximum currently estimated cost of such project does not exceed $750,000 and the then maximum currently estimated cost of any building included in the project

does not exceed $300,000 and the total cost of all projects undertaken under such section shall not exceed the estimated cost set forth in such section by more than 10 per centum.

Sec. 203. The Secretary of Energy, in cooperation with the Secretary of State, shall report to the Committees on Science and Technology and International Relations of the House of Representatives and the Committees on Energy and Natural Resources and Foreign Relations of the Senate, within six months after the date of the enactment of this Act, on the effects of the April 20, 1977, message from the President of the United States, "Establishing for the United States a Strong and Effective Nuclear Non-Proliferation Policy", on nuclear research and development cooperative agreements. This report shall include impacts of the message and related initiatives through the promulgation, repeal, or modification of Executive orders, Presidential proclamations, treaties, other international agreements, and other pertinent documents of the President, the Executive Office of the President, the administraitve agencies, and the departments, on cooperation between the United States and any other nation in the research, development, demonstration, and commercialization of all nuclear fission and nuclear fusion technologies. After the initial report, the Administrator shall report to such Committees on each subsequent major related initiative.

Sec. 204. (a) In carrying out the programs for which funds are authorized by this Act, the Secretary of Energy shall provide a realistic and adequate opportunity for small business concerns to participate in such programs to the optimum extent feasible consistent with the size and nature of the projects and activities involved.

(b) At least once every six months, or upon request, the Secretary of Energy shall submit to the appropriate committees of the House of Representatives and the Senate a full report on the actions taken in carrying out subsection (a) during the preceding six months, including the extent to which small business concerns are participating in the programs involved and in projects and activities of various types and sizes within each such program, and indicating the steps currently being taken to assure such participation in the future.

Sec. 205. (a) Section 91 of chapter 9 of the Atomic Energy Community Act of 1955 is amended—

(1) by striking out subsection a. and inserting in lieu thereof the following:

"a. From the date of transfer of any municipal installations to a governmental or other entity at or for the community, the Administrator is authorized, for a period of ten years, to make annual assistance payments of just and reasonable sums to the State, county, or local entity having jurisdiction to collect property taxes or to the entity receiving the installation transferred hereunder: *Provided, however,* That with respect to the cities of Oak Ridge, Tennessee, and Richland, Washington, the Richland School District, the Los Alamos School Board, and the county of Los Alamos, New Mexico, the Administrator is authorized to continue to make assistance payments of just and reasonable sums after expiration of such ten-year period: *Provided further,* That the Administrator is also authorized to make payments of just and reasonable sums to Anderson County and Roane County, Tennessee. In determining the amount and recipient of such payments the Administrator shall consider—

"(1) the approximate real property taxes and assessments for local improvements which would be paid to the governmental entity upon property within the community if such property were not exempt from taxation by reason of Federal ownership;

"(2) the maintaining of municipal services at a level which will not impede the recruitment or retention of personnel essential to the Energy Research and Development Administration porgrams;

"(3) the fiscal problems peculiar to the governmental entity by reason of the construction at the community as a single-purpose national defense installation under emergency conditions;

"(4) the municipal services and other burdens imposed on the governmental or other entities at the community by the United States in its operations in the project area; and

"(5) the tax revenues and sources available to the governmental entity, its efforts and diligence in collection of taxes, assessment of property, and the efficiency of its operations."; and

(2) by striking out subsection d. and inserting in lieu thereof the following:

"d. With respect to any entity not less than six months prior to the expiration of the ten-year period referred to in subsection a. (or not less than six months prior to June 30, 1979, in the case of the cities of Oak Ridge, Tennessee, and Richland, Washington, and the Richland School District; or not less than six months prior to June 30, 1968, in the case of Anderson County and Roane County, Tennessee, and the Los Alamos School Board; and not less than six months prior to June 30, 1987, in the case of the county of Los Alamos, New Mexico), the Administrator shall present to the appropriate committees of the House of Representatives and the Senate recommendations as to the need for any further assistance payments to such entity.".

(b) Chapter 9 of such Act is further amended by striking out section 94 and inserting in lieu thereof the following:

"Sec. 94. Contracts.—The Administrator is authorized, without regard to section 3679 of the Revised Statutes, to enter into a contract with any governmental or other entity to which payments are authorized to be made pursuant to section 91, obligating the Administrator to make such entity the payments directed or authorized to be made by section 91: Provided, however, That the term of such contracts, in the case of the cities of Oak Ridge, Tennessee, and Richland, Washington, and the Richland School District, shall not extend beyond June 30, 1979; and in the case of the Los Alamos School Board shall not extend beyond June 30, 1986; and in the case of the county of Los Alamos, New Mexico, shall not extend beyond June 30, 1987.".

Sec. 206. (a) Section 6 of the Federal Nonnuclear Energy Research and Development Act of 1974 is amended by adding at the end thereof the following new subsection:

"(c) Based upon the comprehensive plan developed under subsection (a), the Administrator shall develop and transmit to the Congress, on or before September 1, 1978, a comprehensive environment and safety program to insure the full consideration and evaluation of all environmental, health, and safety impacts of each element, program, or initiative contained in the nuclear and nonnuclear energy research, development, and demonstration plans.".

(b) Section 15(a) of such Act is amended—

(1) by striking out "and" at the end of paragraph (2),

(2) by striking out the comma at the end of paragraph (3) and inserting in lieu thereof "; and", and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) a detailed description of the environmental and safety research, development, and demonstration activities carried out and in progress including the procedures adopted to mitigate undesirable environmental and safety impacts,".

Sec. 207. (a) Section (7a) of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5906) is amended—

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

(2) by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and", and

(3) by adding at the end thereof the following new paragraph:

"(7) Federal loan guarantees and commitments thereof as provided in section 19.".

(b) The Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901, et seq.) is further amended by adding at the end thereof the following new section:

"LOAN GUARANTEES FOR ALTERNATIVE FUEL DEMONSTRATION FACILITIES

"Sec. 19. (a) It is the purpose of this section—

"(1) to assure adequate Federal support to foster a demonstration program to produce alternative fuels from coal, oil, shale, biomass, and other domestic resources;

"(2) to authorize assistance, through loan guarantees under subsection (b) and (y) for construction and startup and related costs, to demonstration facilities for the conversion of domestic coal, oil shale, biomass, and other domestic resources into alternative fuels; and

"(3) to gather information about the technological, economic, environmental, and social costs, benefits, and impacts of such demonstration facilities.

"(b)(1) Except as provided in paragraph (5) of this subsection and subsection (y) of this section the Administrator is authorized, in accordance with such rules and regulations as he shall prescribe after consultation with the Secretary of the Treasury, to guarantee and to make commitments to guarantee, in such manner and subject to such conditions (not inconsistent with the provisions of this Act as he deems appropriate, the payment of interest on, and the principal balance of, bonds, debentures, notes, and other obligations issued by, or on behalf of, any borrower for the purpose of financing the construction and startup costs of demonstration facilities for the conversion of domestic coal, oil shale, biomass, and other domestic resources into alternative fuels: Provided, That no loan guarantee for a full sized oil shale facility shall be provided under this section until after successful demonstration of a modular facility producing between six and ten thousand barrels per day, taking into account such considerations as water usage, environmental effects, waste disposal, labor conditions, health and safety, and the socioeconomic impacts on local communities: Provided further, That no loan guarantee shall be available under this subsection for the manufacture of component parts for demonstration facilities eligible for assistance under this subsection.

"(2) An applicant for any financial assistance under this section shall provide information to the Administrator in such form and with such content as the Administrator deems necessary.

"(3) Prior to issuing any guarantee under this section the Administrator shall obtain the concurrence of the Secretary of the Treasury with respect to the timing, interest rate, and substantial terms and conditions of such guarantee. The Secretary of the Treasury shall insure to the maximum extent feasible that the timing, interest rate, and substantial terms and conditions of such guarantee will have the minimum possible

impact on the capital markets of the United States, taking into account other Federal direct and indirect securities activities.

"(4) The full faith and credit of the United States is pledged to the payment of all guarantees issued under this section with respect to principal and interest.

"(5)(A) The Administrator is authorized, in the case of a facility for the conversion of oil shale to alternative fuels which is determined by the Administrator pursuant to the proviso in paragraph (1)(A) of this subsection, to be constructed at a modular size, to enter into a cooperative agreement with the applicant in accordance with section 8 of this Act and the other provisions of this Act to share the estimated total design and construction costs, plus operation and maintenance costs, of such modular facility. The Federal share shall not exceed 75 per centum of such costs. All receipts for the sale of any products produced during the operation of the facility shall be used to offset the costs incurred in the operation and maintenance of the facility. The provisions of subsections (d), (e), (k), (m), (p), (s), (t), (u), (v), (w), and (x) shall apply to any such modular facility. The provisions of this section shall apply to any loan guarantee for such modular facility.

"(B) After successful demonstration of the modular facility, as determined by the Administrator, the facility is eligible for financial assistance under this section for purposes of expansion to a full sized facility and the applicant may purchase the Federal interest in the modular facility as represented by the Federal share thereof by means of (i) a cash payment to the United States, or (ii) a share of the product or sales resulting from such expanded operation, as determined by the Administrator. If expansion of such facility is determined not to be warranted by the Administrator, he may, at the option of the applicant, dispose of the modular facility to the applicant at not less than fair market value, as determined by the Administrator as of the date of the disposal, or otherwise dispose of it, in accordance with applicable provisions of law, and distribute the net proceeds thereof, after expenses of such disposal, to the applicant in proportion to the applicant's share of the costs of such facility.

"(6) To the extent possible, loan guarantees shall be issued on the basis of competitive bidding among guarantee applicants in a particular technology area.

"(c) The Administrator, with due regard for the need for competition, shall guarantee or make a commitment to guarantee any obligation under subsection (b) or (y) only if—

"(1) the Administrator is satisfied that the financial assistance applied for is necessary to encourage financial participation;

"(2) the amount guaranteed to any borrower at any time does not exceed—

"(A) an amount equal to 75 per centum of the project cost of the demonstration facility as estimated at the time the guarantee is issued, which cost shall not include amounts expended for facilities and equipment used in the extraction of a mineral other than coal or shale, and in the case of coal only to the extent that the Administrator determines that the coal is to be converted to alternative fuel; and

"(B) an amount equal to 60 per centum of that portion of the actual total project cost of any demonstration facility which exceeds the project cost of such facility as estimated at the time the loan guarantee is issued;

"(3) the Administrator has determined that there will be a continued reasonable assurance of full repayment;

"(4) the obligation is subject to the condition that it not be subordinated to any other financing;

"(5) the Administrator has determined, taking into consideration all reasonably available forms of assistance under this section and other Federal and State statutes, that the impacts resulting from the proposed demonstration facility have been fully evaluated by the borrower, the Administrator, and the Governor of the affected State, and that effective steps have been taken or will be taken in a timely manner to finance community planning and development costs resulting from such facility under this section, under other provisions of law, or by other means;

"(6) the maximum maturity of the obligation does not exceed twenty years, or 90 per centum of the projected useful economic life of the physical assets of the demonstration facility covered by the guarantee, whichever is less, as determined by the Administrator;

"(7) the Administrator has determined that, in the case of any demonstration or modular facility planned to be located on Indian lands, the appropriate Indian tribe, with the approval of the Secretary of the Interior, has given written consent to such location;

"(8) the obligation provides for the orderly and ratable retirement of the obligation and includes sinking fund provisions, installment payment provisions or other methods of payments and reserves as may be reasonably required by the Administrator. Prior to approving any repayment schedule the Administrator may consider the date on which operating revenues are anticipated to be generated by the project. To the maximum extent possible repayment or provision therefor shall be required to be made in equal payments payable at equal intervals; and

"(9) the obligation provides that the Administrator shall, after a period of not less than ten years from issuance of the obligation, taking into consideration whether the Government's needs for information to be derived from the project have been substantially met and whether the project is capable of commercial operation, determine the feasibility and advisability of terminating the Federal participation in the project. In the event that such determination is positive, the Administrator shall notify the borrower and provide the borrower with not less than two nor more than three years in which to find alternative financing. At the expiration of the designated period of time, if the borrower has been unable to secure alternative financing, the Administrator is authorized to collect from the borrower an additional fee of 1 per centum per annum on the remaining obligation to which the Federal guarantee applies.

"(d) Prior to submitting a report to Congress pursuant to subsection (m) of this section on each guarantee and cooperative agreement, the Administrator shall request from the Attorney General and the Chairman of the Federal Trade Commission written views, comments, and recommendations concerning the impact of such guarantee or commitment or agreement on competition and concentration in the production of energy and give due consideration to views, comments, and recommendations received: *Provided*, That if either official, within sixty days after receipt of such request or at any time prior to the Administrator submitting such report to Congress, recommends against making such guarantee or commitment or agreement, the proposed guarantee or commitment or agreement shall be referred to the President, and the Administrator shall not do so unless the President determines in writing that such guarantee or commitment or agreement is in the national interest.

"(e)(1) As soon as the Administrator knows the geographic location of a proposed facility for which a guarantee or a commitment to guarantee or cooperative agreement is sought under this section, he shall inform the Governor of the State, and officials of each political subdivision and Indian tribe, as appropriate, in which the facility would be located or which would be impacted by such facility. The Administrator shall not guarantee or make a commitment to guarantee or enter into a cooperative agreement under subsection (b) or subsection (y) of this section, if the Governor of the State in which the proposed facility would be located recommends that such action not be taken, unless the Administrator finds that there is an overriding national interest in taking such action in order to achieve the purpose of this section.

If the Administrator decides to guarantee or make a commitment to guarantee or enter into a cooperative agreement despite a Governor's recommendation not to take such action, the Administrator shall communicate, in writing, to the Governor reasons for not concurring with such recommendation. This Administrator's decision, pursuant to this subsection, shall be final unless determined upon judicial review initiated by the Governor to be unlawful by the reviewing court pursuant to 5 U.S.C. 706(2) (A) through (D). Such review shall take place in the United States court of appeals for the circuit in which the State involved is located, upon application made within ninety days from the date of such decision. The Administrator shall, by regulation, establish procedures for review of, and comment on, the proposed facility by States, local political subdivisions, and Indian tribes which may be impacted by such facility, and the general public.

"(2) The Administrator shall review and approve the plans of the applicant for the construction and operation of any demonstration and related facilities constructed or to be constructed with assistance under this section. Such plans and the actual construction shall include such monitoring and other data-gathering costs associated with such facility as are required by the comprehensive plan and program under this section. The Administrator shall determine the estimated total cost of such demonstration facility, including, but not limited to, construction costs, startup costs, costs to political subdivisions and Indian tribes by such facility, and cost of any water storage facilities needed in connection with such demonstration facility, and determine who shall pay such costs. Such determination shall not be binding upon the States, political subdivisions or Indian tribes.

"(3) There is hereby established a panel to advise the Administrator on matters relating to the program authorized by this section, including, but not limited to, the impact of the demonstration facilities on communities and States and Indian tribes, the environmental and health and safety effects of such facilities, and the means, measures, and planning for preventing or mitigating such impacts, and other matters relating to the development of alternative fuels and other energy sources under this section. The panel shall include such Governors or their designees as shall be designated by the Chairman of the National Governors Conference, Representatives of Indian tribes, industry, environmental organizations and the general public shall be appointed by the Administrator. The Chairman of the panel shall be selected by the Administrator. No person shall be appointed to the panel who has a financial interest in any applicant applying for assistance under this section. Members of the

panel shall serve without compensation. The provisions of section 106(e) of the Energy Reorganization Act of 1974 (42 U.S.C. 5816 (e)) shall apply to the panel.

"(f) Except in accordance with reasonable terms and conditions contained in the written contract of guarantee, no guarantee issued or commitment to guarantee made under this section shall be terminated, canceled, or otherwise revoked. Such a guarantee or commitment shall be conclusive evidence that the underlying obligation is in compliance with the provisions of this section and that such obligation has been approved and is legal as to principal, interest, and other terms. Subject to the conditions of the guarantee or commitment to guarantee, such a guarantee shall be incontestable in the hands of the holder of the guaranteed obligation, except as to fraud or material misrepresentation on the part of the holder.

"(g)(1) If there is a default by the borrower, as defined in regulations promulgated by the Administrator and in the guarantee contract, the holder of the obligation shall have the right to demand payment of the unpaid amount from the Administrator. Within such period as may be specified in the guarantee or related agreements, the Administrator shall pay to the holder of the obligation the unpaid interest on, and unpaid principal of the guaranteed obligation as to which the borrower has defaulted, unless the Administrator finds that there was no default by the borrower in the payment of interest or principal or that such default has been remedied. Nothing in this section shall be construed to preclude any forebearance by the holder of the obligation for the benefit of the borrower which may be agreed upon by the parties to the guaranteed obligation and approved by the Administrator.

"(2) If the Administrator makes a payment under pragraph (1) of this subsection, the Administrator shall be subrogated to the rights of the recipient of such payment (and such subrogation shall be expressly set forth in the guarantee or related complete, maintain, operate, lease, or otherwise dispose of any property acquired pursuant to such guarantee or related agreements, or any other property of the borrower (of a value equal to the amount of such payment) to the extent that the guarantee applies to amounts in excess of the estimated project cost under subsection (c)(2)(B), without regard to the provisions of the Federal Property and Administrative Service Act of 1949, as amended, except section 207 of that Act (40 U.S.C. 488), or any other law, or to permit the borrower, pursuant to an agreement with the Administrator, to continue to pursue the purposes of the demonstration facility if the Administrator determines that this is in the public interest. The rights of the Administrator with respect to any property acquired pursuant to such guarantee or related agreements, shall be superior to the rights of any other person with respect to such property.

"(3) In the event of a default on any guarantee under this section, the Administrator shall notify the Attorney General, who shall take such action as may be appropriate to recover the amounts of any payments made under paragraph (1) including any payment of principal and interest under subsection (h) from such assets of the defaulting borrower as are associated with the demonstration facility, or from any other security included in the terms of the guarantee.

"(4) For purposes of this section, patents, including any inventions for which a waiver was made by the Administrator under Section 9 of this Act, and technology resulting from the demonstration facility, shall be treated as project assets of such facility. The guarantee agreement shall include such detailed terms and conditions as the Administrator deems appropriate to protect the interests of the United States in the case of default and to have available all the patents and technology necessary for any person selected, including, but not limited to the Administrator, to complete and operate the defaulting project. Furthermore, the guarantee agreement shall contain a provision specifying that patents, technology, and other proprietary rights which are necessary for the completion or operation of the demonstration facility shall be available to the United States and its designees on equitable terms, including due consideration to the amount of the United States default payments. Inventions made or conceived in the course of or under such guarantee, title to which is vested in the United States under this Act, shall not be treated as project assets of such facility for disposal purposes under this subsection, unless the Administrator determines in writing that it is in the best interests of the United States to do so.

"(h) With respect to any obligation guaranteed under this section, the Administrator is authorized to enter into a contract to pay, and to pay, holders of the obligations, for and on behalf of the borrowers, from the fund established by this section, the principal and interest payments which become due and payable on the unpaid balance of such obligation if the Administrator finds that—

"(1) the borrower is unable to meet such payments and is not in default; it is in the public interest to permit the borrower to continue to pursue the purposes of such demonstration facility; and the probable net benefit to the Federal Government in paying such principal and interest will be greater than that which would result in the event of a default;

"(2) the amount of such payment which the Administrator is authorized to pay shall be no greater than the amount of principal and interest which the borrower is obligated to pay under the loan agreement; and

"(3) the borrower agrees to reimburse the Administrator for such payment on terms and conditions, including interest, which are satisfactory to the Administrator.

"(i) Regulations required by this section shall be issued within one hundred and eighty days after enactment of this section, except as provided in subsection (t) of this section. All regulations under this section and any amendments thereto shall be issued in accordance with section 553 of title 5, of the United States Code.

"(j) The Administrator shall charge and collect fees for guarantees of obligations authorized by subsection (b)(1), in amounts which (1) are sufficient in the judgment of the Administrator to cover the applicable administrative costs, and (2) reflect the percentage of projects costs guaranteed. In no event shall the fee be less than 1 per centum per annum of the outstanding indebtedness covered by the guarantee. Nothing in this subsection shall be construed to apply to community planning and development assistance pursuant to subsection (k) of this section.

"(k)(1) In accordance with such rules and regulations as the Administrator in consultation with the Secretary of the Treasury shall prescribe, and subject to such terms and conditions as he deems appropriate, the Administrator is authorized, for the purpose of financing essential community development and planning which directly result from, or are necessitated by, one or more demonstration facilities assisted under this section to—

"(A) guarantee and make commitments to guarantee the payment of interest on, and the principal balance of obligations for such financing issued by eligible States, political subdivisions, or Indian tribes,

"(B) guarantee and make commitments to guarantee the payment of taxes imposed on such demonstration facilities by eligible non-Federal taxing authorities which taxes are earmarked by such authorities to support the payment of interest and principal on obligations for such financing, and

"(C) require that the applicant for assistance for a demonstration facility under this section advance sums to eligible States, political subdivisions, and Indian tribes to pay for the financing of such development and planning: *Provided*, That the State, political subdivision, or Indian tribe agrees to provide tax abatement credits over the life of the facilities for such payments by such applicant.

"(2) Prior to issuing any guarantee under this subsection, the Administrator shall obtain the concurrence of the Secretary of the Treasury with respect to the timing, interest rate, and substantial terms and conditions of such guarantee. The Secretary of the Treasury shall insure to the maximum extent feasible that the timing, interest rate, and substantial terms and conditions of such guarantee will have the minimum possible impact on the capital markets of the United States, taking into account other Federal direct and indirect securities activities.

"(3) In the event of any default by the borrower in the payment of taxes guaranteed by the Administrator under this subsection, the Administrator shall pay out of the fund established by this section such taxes at the time or times they may fall due, and shall have by reason of such payment a claim against the borrower for all sums paid plus interest.

"(4) If after consultation with the State, political subdivision, or Indian tribe, the Administrator finds that the financial assistance programs of paragraph (1) of this subsection will not result in sufficient funds to carry out the purposes of this subsection, then the Administrator may—

"(A) make direct loans to the eligible States, political subdivisions, or Indian tribes for such purposes: Provided, That such loans shall be made on such reasonable terms and conditions as the Administrator shall prescribe: Provided further, That the Administrator may waive repayment of all or part of a loan made under this paragraph, including interest, if the State or political subdivision or Indian tribe involved demonstrates to the satisfaction of the Administrator that due to a change in circumstances there will be net adverse impacts resulting from such demonstration facility that would probably cause such State, subdivision, or tribe to default on the loan; or

"(B) require that any community development and planning costs which are associated with, or result from, such demonstration facility and which are determined by the Administrator to be appropriate for such inclusion shall be included in the total costs of the demonstration facility.

"(5) The Administrator is further authorized to make grants to States, political subdivisions, or Indian tribes for studying and planning for the potential economic, environmental, and social consequences of demonstration facilities, and for establishing related management expertise.

"(6) At any time the Administrator may, with the concurrence of the Secretary of the Treasury, redeem, in whole or in part, out of the fund established by this section, the debt obligations guaranteed or the debt obligations for which tax payments are guaranteed under this subsection.

"(7) When one or more States, political subdivisions, or Indian tribes would be eli-

gible for assistance under this subsection, but for the fact that construction and operation of the demonstration facilities occurs outside its jurisdiction, the Administrator is authorized to provide, to the greatest extent possible, arrangements for equitable sharing of such assistance.

"(8) Such amounts as may be necessary for direct loans and grants pursuant to this subsection shall be available as provided in annual authorization Acts.

"(9) The Administrator, if appropriate, shall provide assistance in the financing of up to 100 per centum of the costs of the required community development and planning pursuant to this subsection.

"(10) In carrying out the provisions of this subsection, the Administrator shall provide that title to any facility receiving financial assistance under this subsection shall vest in the applicable State, political subdivision, or Indian tribe, as appropriate, and in the case of default by the borrower on a loan guarantee such facility shall not be considered a project asset for the purposes of subsection (g) of this section.

"(l)(1) The Administrator is directed to submit a report to the Congress within one hundred and eighty days after the enactment of this section setting forth his recommendations on the best opportunties to implement a program of Federal financial assistance with the objective of demonstrating production and conservation of energy. Such report shall be updated and submitted to Congress at least annually and shall include specific comments and recommendations by the Secretary of the Treasury on the methods and procedures set forth in subparagraph (B)(viii) of this subsection, including their adequacy, and changes necessary to satisfy the objectives stated in this subsection. This report shall include—

"(A) a study of the purchase or commitment to purchase by the Federal Government, for the use by the United States, of all or a portion of the products of any alternative fuel facilities constructed pursuant to this program as a direct or an alternate form of Federal assistance, which assistance, if recommended, shall be carried out pursuant to section 7(a)(4) of this Act; and

"(B) a comprehensive plan and program to acquire information and evaluate the environmental, economic, social, and technological impacts of the demonstration program under this section. In preparing such a comprehensive plan and program, the Administrator shall consult with the Environmental Protection Agency, the Federal Energy Administration, the Department of Housing and Urban Development, the Department of the Interior, the Department of Agriculture, and the Department of the Treasury, and shall include therein, but not be limited to, the following.

"(i) information about potential demonstration facilities proposed in the program under this section;

"(ii) any significant adverse impacts which may result from any activity included in the program;

"(iii) the extent to which it is feasible to commercialize the technologies as they affect different regions of the Nation;

"(iv) proposed regulations required to carry out the purposes of this section;

"(v) a list of Federal agencies, governmental entities, and other persons that will be consulted or utilized to implement the program;

"(vi) the methods and procedures by which the information gathered under the program will be analyzed and disseminated;

"(vii) a plan for the study and monitoring of the health effects of such facilities on workers and other persons, including, but not limited to, any carcinogenic effect of alternative fuels; and

"(viii) the methods and procedures to insure that (I) the use of the Federal assistance for demonstration facilities is kept to the minimum level necessary for the information objectives of this section, (II) the impact of loan guarantees on the capital markets of the United States is minimized, taking into account other Federal direct and indirect securities activities, and any economic sectors which may be negatively impacted as a result of the reduction of capital by the placement of guaranteed loans, and (II) the granting of Federal loan guarantees under this Act does not impede movement toward improvement in the climate for attracting private capital to develop alternative fuels without continued direct Federal incentives.

"(2) The Administrator shall annually submit a detailed report to the Congress concerning—

"(A) the actions taken or not taken by the Administrator under this section during the preceding fiscal year, and including, but not limited to (i) a discussion of the status of each demonstration facility and related facilities financed under this section, including progress made in the development of such facilities, and the expected or actual production from each such facility, including byproduct production therefrom, and the distribution of such products and byproducts, (ii) a detailed statement of the financial conditions of each such demonstration facility, (iii) data concerning the environmental, community, and health and safety impacts of each such facility and the actions taken or planned to prevent or mitigate such imports, (iv) the administrative and other costs incurred by the Administrator and other Federal agencies in carrying out this program, and (v) such other data as may be helpful in keeping Congress and the public fully and currently informed about the program authorized by this section; and

"(B) The activities of the funds referred to in subsection (n) of this section during the preceding fiscal year, including a statement of the amount and source of fees or other moneys, property, or assets deposited notes or other obligations issued by the Administrator, and such other data as may be appropriate.

"(3) The annual report required by this subsection shall be a part of the annual report required by section 15 of this Act, except that the matters required to be reported by this subsection shall be clearly set out and identified in such annual reports. Such reports and the one-hundred-and-eighty-day report required in paragraph (1) of this subsection shall be transmitted to the Speaker of the House of Representatives and the House Committee on Science and Technology and to the President of the Senate and the Committee on Energy and Natural Resources of the Senate.

"(m) Prior to issuing any guarantee or commitment to guarantee or cooperative agreement pursuant to subsection (b) or subsection (y) of this section, the Administrator shall submit to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a full and complete report on the proposed demonstration facility and such guarantee, agreement, or contract. Such guarantee, commitment to guarantee, cooperative agreement, or contract shall not be finalized under the authority granted by this section prior to the expiration of ninety calendar days (not including any day on which either House of Congress is not in session because of an adjournment of more than three calendar days to a day certain) from the date on which such report is received by such committees: *Provided*, That, where the cost of a demonstration facility to be assisted with a guarantee or cooperative agreement pursuant to subsection (b) or subsection (y) of this section exceeds $50,000,000 such guarantee or commitment to guarantee or cooperative agreement shall not be finalized unless (1) the making of such guarantee or commitment or agreement is specifically authorized by legislation hereafter enacted by the Congress or (2) both Houses pass a resolution stating in substance that the Congress favors the making of such guarantee or commitment or agreement.

"(n)(1) There is hereby created within the Treasury a separate fund (hereafter in this section called the 'fund') which shall be available to the Administrator without fiscal year limitation as a revolving fund for the purpose of carrying out the program authorized by subsection (b)(1) and subsections (g), (h), (k), and (y) of this section.

"(2) There are hereby authorized to be appropriated to the fund for administrative expenses from time to time such amounts as may be necessary to carry out the purposes of the applicable provisions of this section, including, but not limited to, the payments of interest and principal and the payment of interest differentials and redemption of debt. All amounts received by the Administrator as interest payments or repayments of principal on loans which are guaranteed under this section, fees, and any other moneys, property, or assets derived by him from operations under this section shall be deposited in the fund.

"(3) All payments on obligations, appropriate expenses (including reimbursements to other Government accounts), and repayments pursuant to operations of the Administrator under this section shall be paid from the fund subject to appropriations. If at any time the Administrator determines that moneys in the fund exceed the present and reasonably foreseeable future requirements of the fund, such excess shall be transferred to the general fund of the Treasury.

"(4) If at any time the moneys available in the fund are insufficient to enable the Administrator to discharge his responsibilities as authorized by subsections (b)(1), (g), (h), and (y) of this section, the Administrator shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary of the Treasury. Redemption of such notes or obligations shall be made by the Administrator from appropriations or other moneys available under paragraph (2) of this subsection for loan guarantees authorized by subsection (b)(1) and subsections (g), (h), (k), and (y) of this section. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, which shall be not less than a rate determined by taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection.

"(5) The provisions of this subsection do not apply to direct loans or planning grants made under subsection (k) of this section.

"(o) For the purposes of this section, the term—

"(1) 'State' means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin

Islands, American Samoa, any territory or possession of the United States,

"(2) 'United States' means the several States, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa,

"(3) 'borrower' or 'applicant' shall include any individual, firm, corporation, company, partnership, association, society, trust, joint venture, joint stock company, or other non-Federal entity, and

"(4) 'biomass' shall include, but is not limited to, animal and timber waste, municipal and industrial waste, sewage sludge, and oceanic and terrestrial crops.

"(p)(1) An applicant seeking a guarantee or cooperative agreement under subsection (b) or subsection (y) of this section must be a citizen or national of the United States. A corporation, partnership, firm, or association shall not be deemed to be a citizen or national of the United States unless the Administrator determines that it satisfactorily meets all the requirements of section 802 of title 46, United States Code, for determining such citizenship, except that the provisions in subsection (a) of such section 802 concerning (A) the citizenship of officers or directors of a corporation, and (B) the interest required to be owned in the case of a corporation, association, or partnership operating a vessel in the coastwise trade, shall not be applicable.

"(2) The Administrator, in consultation with the Secretary of State, may waive such requirements in the case of a corporation, partnership, firm, or association, controlling interest in which is owned by citizens of countries which are participants in the International Energy Agreement.

"(q) No part of the program authorized by this section shall be transferred to any other agency or authority, except pursuant to Act of Congress enacted after the date of enactment of this section.

"(r) Inventions made or conceived in the course of or under a guarantee authorized by this section shall be subject to the title and waiver requirements and conditions of section 9 of this Act.

"(s) Nothing in this section shall be construed as affecting the obligations of any person receiving financial assistance pursuant to this section to comply with Federal and State environmental, land use, water, and health and safety laws and regulations or to obtain applicable Federal and State permits, licenses, and certificates.

"(t) The information maintained by the Administrator under this section shall be made available to the public subject to the provision of section 552 of title 5, United States Code, and section 1905 of title 18, United States Code, and to other Government agencies in a manner that will facilitate its dissemination: *Provided*, That upon a showing satisfactory to the Administrator by any person that any information, or portion thereof obtained under this section by the Administrator directly or indirectly from such person would, if made public, divulge (1) trade secrets or (2) other proprietary information of such person, the Administrator shall not disclose such information and disclosure thereof shall be punishable under section 1905 of title 18, United States Code: *Provided further*, That the Administrator shall, upon request, provide such information to (A) any delegate of the Administrator for the purpose of carrying out this Act, and (B) the Attorney General, the Secretary of Agriculture, the Secretary of the Interior, the Federal Trade Commission, the Federal Energy Administration, the Environmental Protection Agency, the Federal Power Commission, the General Accounting Office, other Federal agencies, or heads of other Federal agencies, when necessary to carry out their duties and responsibilities under this and other statutes, but such agencies and agency heads shall not release such information to the public. This section is not authority to withhold information from Congress, or from any committee of Congress upon request of the Chairman. For the purposes of this subsection, the term 'person' shall include the borrower.

"(u) Notwithstanding any other provision of this section, the authority provided in this section to make guarantees or commitments to guarantee or enter into cooperative agreements under subsection (b)(1) or subsection (y), to make guarantees or commitments to guarantees, or to make loans or grants, under subsection (k), to make contracts under subsection (h), and to use fees and receipts collected under subsections (b), (j), and (y) of this section, and the authorities provided under subsection (n) of this section shall be effective only to the extent provided, without fiscal year limitation, in appropriation Acts enacted after the date of enactment of this section.

"(v) No person in the United States shall on the grounds of race, color, religion, national origin, or sex, be excluded from participation in, be denied benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with assistance made available under this section: *Provided*, That Indian tribes are exempt from the operation of this subsection: *Provided further*, That such exemption shall be limited to the planning and provision of public facilities which are located on reservations and which are provided for members of the affected Indian tribes as the primary beneficiaries.

"(w) In carrying out his functions under this section, the Administrator shall provide a realistic and adequate opportunity for small business concerns to participate in the program to the optimum extent feasible consistent with the size and nature of each project.

"(x)(1)(A) Recipients of financial assistance under this section shall keep such records and other pertinent documents, as the Administrator shall prescribe by regulation, including, but not liimted to, records which fully disclose the disposition of the proceeds of such assistance, the cost of any facility, the total cost of the provision of public facilities for which assistance was used and such other records as the Administrator may require to facilitate an effective audit. The Administrator and the Comptroller General of the United States, or their duly authorized representatives shall have access, for the purpose of audit, to such records and other pertinent documents.

"(B) Within 6 months after the date of enactment of this section and at 6-month intervals thereafter, the Comptroller General of the United States shall make an audit of recipients of financial assistance under this section. The Comptroller General may prescribe such regulations as he deems necesary to carry out this subparagraph.

"(2) All laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with assistance under this section shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276(c)).

"(y)(1) The Administrator is authorized in accordance with such rules and regulations as he shall prescribe after consultation with the Secretary of the Treasury, to guarantee and to make commitments to guarantee the payment of interest on, and the principal balance of, bonds, debentures, notes and other obligations issued by or on behalf of any borrower for the purpose of (A) financing the construction and startup costs of demonstration facilities for the conversion of municipal or industrial waste, sewage sludge, or other municipal organic wastes into synthetic fuels, and (B) financing the construction and startup costs of demonstration facilities to generate desirable forms of energy (including synthetic fuels) from municipal or industrial waste, sewage sludge, or other municipal organic waste. With respect to a guarantee or a commitment to guarantee authorized by this subsection; the following subsections of this section shall not apply: (b)(1), (b)(5), (c)(2), (c)(5), (c)(6), (c)(7), (c)(8), (c)(9), (e)(3) (j) (k), and (q).

"(2) In the case where the Administrator seeks to guarantee or to make commitments to guarantee as provided by this subsection he is authorized to incur an outstanding indebtedness which at no time shall exceed $300,000,000.

"(3) The Administrator shall apply the following provisions thereto:

"(A) With respect to any demonstration facility for the conversion of solid waste (as the term is defined in the Resources Conservation and Recovery Act (42 U.S.C. 6903), the Administrator, prior to issuing any guarantee under this section, must be in receipt of a certification from the Administrator of the Environmental Protection Agency and any appropriate State or areawide solid waste management planning agency that the proposed application for a guarantee is consistent with any applicable suggested guidelines published pursuant to section 1008(a) of the Resources Conservation and Recovery Act, and any applicable State or regional solid waste management plan.

"(B) The amount guaranteed shall not exceed 75 per centum of the total cost of the commercial demonstration facility, as determined by the Administrator: *Provided*, That the amount guaranteed may not exceed 90 per centum of the total cost of the commercial demonstration facility during the period of construction and startup.

"(C) The maximum maturity of the obligation shall not exceed thirty years, or 90 per centum of the projected useful economic life of the physical assets of the commercial demonstration facility covered by the guarantee, whichever is less, as determined by the Administrator.

"(D) The Administrator shall charge and collect fees for guarantees of obligations in amounts sufficient in the judgment of the Administrator to cover the applicable administrative costs and probable losses on guaranteed obligations, but in any event not to exceed 1 per centum per annum of the outstanding indebtedness covered by the guarantee.

"(E) No part of the program authorized by this section shall be transferred to any other agency or authority, except pursuant to Act of Congress enacted after the date of enactment of this section: *Provided*, That project agreements entered into pursuant to this section for any commercial demonstration facility for the conversion or bioconversion of solid waste (as that term is defined in the Resources Conservation and Recovery Act shall be administered in accordance with the May 7, 1976, Interagency Agreement between the Environmental Protection Agency and the Energy Research and Development Administration on the Development of Energy From Solid Wastes, and provided specifically that in accordance with

this agreement (i) for those energy-related projects of mutual interest, planning will be conducted jointly by the Environmental Protection Agency and the Energy Research and Development Administration, following which project responsibility will be assigned to one agency; (ii) energy-related projects for recovery of synthetic fuels or other forms of energy from solid waste shall be the responsibility of the Energy Research and Development Administration; and (iii) the Environmental Protection Agency shall retain responsibility for the environmental, economic, and institutional aspects of solid waste projects and for assurance that such projects are consistent with any applicable suggested guidelines pursuant to section 1008 of the Resource Conservation and Recovery Act of 1976 (42 U.S.C. 6901 et seq.), as amended, and any applicable State or regional solid waste-management plan.

"(F) With respect to any obligation which is issued after the enactment of this section by, or in behalf of, any State, political subdivision, or Indian tribe and which is either guaranteed under, or supported by taxes levied by said issuer which are guaranteed under, this section, the interest paid on such obligation and received by the purchaser thereof (or the purchaser's successor in interest) shall be included in gross income for the purpose of chapter 1 of the Internal Revenue Code of 1954, as amended: *Provided*, That the Administrator shall pay to such issuer out of the fund established by this section such portion of the interest on such obligations, as determined by the Secretary of the Treasury to be appropriate after taking into account current market yields (i) on obligations of said issuer, if any, and (ii) on other obligations with similar terms and conditions the interest on which is not so included in gross income for purposes of chapter 1 of such Code, and in accordance with, such terms and conditions as the Secretary of the Treasury shall require.".

SEC. 208. (a) The Secretary of Energy shall—

(1) initiate and conduct an "application and system design study", cooperatively with appropriate Federal agencies, to determine the potential for the use of solar photovoltaic systems at specific Federal installations; and this study shall—

(A) include an analysis of those sites that are currently cost-effective for solar photovoltaic energy systems, using life-cycle costing techniques, as well as those which would be cost-effective at expected future market prices;

(B) identify potential sites and uses of solar photovoltaic energy systems at the following agencies as well as any others which the Secretary of Energy deems necessary:

(i) the Department of Defense;

(ii) the Department of Transportation (including the United States Coast Guard, the Federal Aviation Administration, and the Federal Highway Administration);

(iii) the Department of Commerce;

(iv) the Department of Agriculture; and

(v) the Department of the Interior;

(C) provide a preliminary report to Congress within nine months following the enactment of this Act;

(D) include the presentation of a detailed plan for the implementation of solar photovoltaic energy systems for power generation at specific sites in Federal government agencies to Congress within twelve months following the enactment of this Act;

(2) initiate and conduct a study of the options available to the Federal government to provide for the adequate growth of the solar photovoltaic industry and to include such possible incentives as government funding, loan guarantees, tax incentives, the operation of pilot plants or production lines and other incentives deemed worthy of consideration by the Secretary of Energy. A preliminary report shall be submitted to Congress within six months following the enactment of this Act;

(3) initiate and conduct a study involving the prospects for applications of solar photovoltaic energy systems for power generation in foreign countries, particularly lesser developed countries, and the potential for the exportation of these energy systems. This study shall involve the cooperation of the Department of State and the Department of Commerce, as well as other Federal agencies which the Secretary of Energy deems appropriate. A final report shall be submitted to the Congress, as well as a preliminary report within twelve months of the enactment of this Act; and

(4) be authorized to acquire up to an additional 4.0 megawatts (peak) of solar photovoltaic energy systems. The sum of $13,000,000 is hereby authorized to be appropriated (in addition to any other amounts authorized by this Act to be appropriated) for the fiscal year ending September 30, 1978, and for delivery in the following twelve months. Such sums shall remain available until expended. The solar photovoltaic energy systems acquired shall be available for use for power generation by Federal agencies, provided that no procurement takes place until their application on Federal sites is determined to be life cycle cost effective.

(b) For technology development, particularly for engineering design and development of the manufacturing process of solar photovoltaic energy systems (primarily for the implementation of automated processes and other cost reducing production technologies), the sum of $6,000,000 is hereby authorized by this Act to be appropriated for the fiscal year ending September 30, 1978.

SEC. 209. (a) Nothing in this title shall apply with respect to any authorization or appropriation for any military application of nuclear energy, for research and development in support of the Armed Forces, or for the common defense and security of the United States.

(b)(1) The term "military application" means any activity authorized or permitted by chapter 9 of the Atomic Energy Act of 1954, as amended (Public Law 83-703, as amended; 42 U.S.C. 2121, 2122).

(2) The term "research and development," as used in this section, is defined by section 11 *x* of the Atomic Energy Act of 1954, as amended (Public Law 83-703, as amended; 42 U.S.C. 2014).

(3) The term "common defense and security" means the common defense and security of the United States as used in the Atomic Energy Act of 1954, as amended (Public Law 83-703, as amended).

SEC. 210. (a) In order to provide economic farm units to qualifying farmers whose land is economically infeasible to reclaim from damages resulting from the Teton flood of June 5, 1976, and who are unable to find suitable replacement land for their flood damage farm, and in order to restore the economic and agricultural base of the flood damaged region, there is hereby transferred 5,955 acres of land, hereinafter described, in the State of Idaho presently under the jurisdiction of the Department of Energy, to the Secretary of the Interior who, acting through the Bureau of Reclamation, shall make such lands available for sale to qualifying farmers according to the terms hereafter provided.

(b) As used in this section, the term:

(1) "Teton flood" means the flood resulting from the collapse of Teton Dam of the Lower Teton Division of the Teton Basin Federal Reclamation Project on June 5, 1976.

(2) "Department of Energy" means those public and acquired lands in the State of Idaho identified as sections numbered fourteen (14), twenty-three (23), twenty-four (24), twenty-five (25), and thirty-six (36), in township six (6) north, or range thirty-three (33) east of the Boise meridian; sections numbered nineteen (19), thirty (30), and thirty-one (31) in township six (6) north, of range thirty-four (34) east of the Boise meridian; and the southeast quarter, the south half of the northeast quarter, the east half of the southwest quarter and the southeast quarter of the northwest quarter, of section numbered eight (8) and the south half of the north half of section numbered nine (9) in township five (5) north, of range thirty-four (34) east of the Boise meridian, all situated in the county of Jefferson and State of Idaho, and containing 5,955 acres, more or less, which would be transferred for the purposes of this Act.

(3) "Qualifying farmer" means the resident, owner-operator of a farm who resides in the immediate locality, whose livelihood is derived from his farming operation and whose land was damaged due to the collapse of the Teton Dam on June 5, 1976, to the extent that in the opinion of the Secretary of the Interior, it is not economically feasible to reclaim such land so that it produces an income commensurate with that earned prior to the Teton flood.

(4) "Irrigable land" means farm land that is suitable for irrigated agriculture and has been certified as irrigable by the Secretary of the Interior.

(c) For a period of not more than five years after transfer to the Bureau of Reclamation, the land heretofore described shall be available for purchase by those who, on or before October 1, 1978, are determined to be qualifying farmers pursuant to regulations issued in accordance with subsection (f) of this section by the Secretary of the Interior.

(d) Department of Energy lands as described in subsection (b)(2) of this section shall be certified as irrigable by the Secretary of the Interior, and lands so certified shall be made available in a manner to be prescribed by the Secretary for purchase by qualifying farmers at its current fair market value as determined by a board of appraisers composed of a Federal appraiser, a State appraiser, and one appraiser from the disaster region: *Provided*, That irrigable land transferred to a single ownership shall not exceed 160 acres of class I land as defined by the Secretary or the equivalent thereof in other land classes as determined by the Secretary. The United States, through the Secretary, shall convey fee simple title of the Department of Energy land to the qualifying farmer. The cost of developing the replacement land for farming shall be borne by the qualifying farmer who purchases the land.

(e) Any part of the Department of Energy land remaining in the possession of the Bureau of Reclamation at the end of the five year period, except land needed for public rights-of-way, as determined by the Secretary, shall be returned to the Department of Energy.

(f) Within ninety days after the enactment of this Act the Secretary shall prescribe and publish in the Federal Register such rules and regulations as may be necessary and proper to carry out the provisions of this section.

(g) Full recovery for the loss of all or part of flood-damaged farms shall be obtained by owners pursuant to the Teton Dam Disaster Assistance Act of 1976, Public Law 94-400, 90 Stat. 1211, and the Supplemental Appropriation Act of 1976, Public Law 94-438, 90 Stat. 1415.

(h) There is hereby authorized to be appropriated such sums as may be necessary for

the purposes of administration of this section.

TITLE III—AUTOMOTIVE PROPULSION RESEARCH AND DEVELOPMENT

SHORT TITLE

SEC. 301. This title may be cited as the "Automotive Propulsion Research and Development Act of 1977".

FINDINGS AND PURPOSE

SEC. 302. (a) The Congress finds that—

(1) existing automobile propulsion systems, on the average, fall short of meeting the long-term goals of the Nation with respect to environmental protection, and energy conservation;

(2) advanced alternatives to existing automobile propulsion systems could, with sufficient research and development effort, meet these long-term goals, and have the potential to be mass produced at reasonable cost; and advanced automobile propulsion systems could operate with significantly less adverse environmental impact and fuel consumption than existing automobiles, while meeting all of the other requirements of Federal law;

(3) insufficient resources are being devoted to both research on and development of advanced automobile propulsion system technology;

(4) an expanded research and development effort with respect to advance automobile propulsion system technology would complement and stimulate corresponding efforts by the private sector and would encourage automobile manufacturers to consider seriously the incorporation of such advanced technology into automobiles and automobile components; and

(5) the Nation's energy and environmental problems are urgent, and therefore advanced automobile propulsion system technology should be developed, tested, demonstrated, and prepared for manufacture within the shortest practicable time.

(b) It is therefore the purpose of the Congress, in this title, to—

(1) (A) direct the Department of Energy to make contracts and grants for research and development leading to the development of advanced automobile propulsion systems within 5 years of the date of enactment of this Act, or within the shortest practicable time consistent with appropriate research and development techniques, and (B) evaluate and disseminate information with respect to advanced automobile propulsion system technology;

(2) preserve, enhance, and facilitate competition in research, development, and production with respect to existing and alternative automobile propulsion systems; and

(3) supplement, but neither supplant nor duplicate, the automotive propulsion system research and development efforts of private industry.

DEFINITIONS

SEC. 303. As used in this title, the term—

(1) "advanced automobile propulsion system" means an energy conversion system, including engine and drive train, which utilizes advanced technology and is suitable for use in an advanced automobile;

(2) "developer" means any person engaged in whole or in part in research or other efforts directed toward the development of advanced automobile technology;

(3) "fuel" means any energy source capable of propelling an automobile;

(4) "fuel economy" refers to the average distance traveled in representative driving conditions by an automobile per unit of fuel consumed, as determined by the Administrator of the Environmental Protection Agency in accordance with test procedures which shall be established by rule and shall require that fuel economy tests be conducted in conjunction with the exhaust emissions tests mandated by section 206 of the Clean Air Act (42 U.S.C. 1857f-5);

(5) "intermodal adaptability" refers to any characteristics of an automobile which enable it to be operated or carried, or which facilitate its operation or carriage, by or on an alternative mode or other system of transportation;

(6) "reliability" refers to (A) the average time and distance over which normal automobile operation can be expected without significant repair or replacement of parts, and (B) the ease of diagnosis and repair of an automobile, its systems, and parts in the event of failure during use or damage from an accident;

(7) "safety" refers to the performance of an automotive propulsion system or equipment in such a manner that the public is protected against unreasonable risk of accident and against unreasonable risk of death or bodily injury in case of accident; and

(8) "State" means any State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, or any other territory or possession of the United States.

DUTIES OF THE ADMINISTRATOR

SEC. 304. (a) The Secretary of Energy shall establish, within the Department of Energy, a program to insure the development of advanced automobile propulsion systems within 5 years after the date of enactment of this Act, or within the shortest practicable time, consistent with appropriate research and development technique. In conducting such program, the Secretary of Energy shall—

(1) establish and conduct new projects and accelerate existing projects which may contribute to the development of advanced automobile propulsion systems;

(2) give priority attention to the development of advanced propulsion systems with appropriate attention to those advanced propulsion systems which are flexible in the type of fuel used; and

(3) insure that research and development under this title supplements, but neither supplants nor duplicates, the automotive research and development efforts of private industry.

(b) The Secretary of Energy shall, in fulfilling his responsibilities under this title, make contracts and grants with any Federal agency, laboratory, university, nonprofit organization, industrial organization, public or private agency, institution, organization, corporation, partnership, or individual for research and development leading to advanced automobile propulsion systems which are likely to help meet the Nation's long-term goals with respect to fuel economy, environmental protection, and other objectives.

(c) In providing financial assistance under this title, the Secretary of Energy shall give full consideration to the capabilities of Federal laboratories, except that not more than 60 per centum of the funds appropriated pursuant to the authorization under section 312 shall be directly expended in Federal laboratories. In accordance with section 307, such laboratories shall be available for testing components and subsystems which, in the Secretary of Energy's judgment, is likely to contribute to the development of advanced automobile propulsion systems.

(d) The Secretary of Energy shall conduct evaluations, arrange for tests, and disseminate information pursuant to section 307 and submit reports required under section 310.

(e) The Department of Energy shall intensify research in key basic science areas in which the lack of knowledge limits development of advanced automobile propulsion systems.

(f) (1) The Secretary of Energy shall insure that the conduct of the program as defined in subsection (a) of this section—

(A) supplements the automotive propulsion system research and development efforts of industry;

(B) is not formulated in a manner that will supplant private industry research and development or displace or lessen industry's research and development; and

(C) avoids duplication of private research and development.

(2) To that end, the Secretary of Energy shall issue administrative regulations, within 60 days after the date of the enactment of this Act, which shall specify procedures, standards, and criteria for the timely review for compliance of each new contract, grant, Department of Energy project, or other agency project funded or to be funded under the authority of this Act. Such regulations shall require that the Secretary of Energy or his designee shall certify that each such contract, grant, or project satisfies the requirement of this subsection, and shall include in such certification a discussion of the relationship of any related or comparable industry research and development, in terms of this subsection, to the proposed research and development under the authority of this Act. The discussion shall also address related issues, such as cost sharing and patent rights.

(3) Such certifications shall be available to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate. The provisions of chapter 5 of title 5, United States Code, shall not apply to such certifications and no court shall have any jurisdiction to review the preparation or adequacy of such certifications; but section 553 of title 5, United States Code, and section 17 of the Federal Nonnuclear Energy Research and Development Act of 1974, as amended, shall apply to public disclosure of such certifications.

(4) The Secretary of Energy also shall include in the report required by section 310 (a) of this Act a detailed discussion of how each research and development contract, grant, or project funded under the authority of this Act satisfies the requirement of this subsection.

(5) Further, the Secretary of Energy in each annual budget submission to the Congress, or amendment thereto, for the programs authorized by this Act shall describe how each identified research and development effort in such submission satisfies the requirements of this subsection.

(6) The provisions and requirements of this subsection shall not apply with respect to any contract, grant, or project which was entered into, made, or formally approved and initiated prior to the enactment of this Act, or with respect to any renewal or extension thereof.

DUTIES OF THE SECRETARY OF TRANSPORTATION

SEC. 305. The Secretary of Transportation, in furtherance of the purposes of this title, shall evaluate the extent to which the automobile industry utilizes advanced automotive technology which is or could be made available to it. The Secretary of Transportation shall submit a report to the Congress each year on the results of such evaluation including any appropriate recommendations which may encourage the utilization of advanced automobile technology by the automobile industry.

COORDINATION AND CONSULTATION

SEC. 306. (a) The Secretary of Energy shall have overall management responsibility for carrying out the program under section 304. In carrying out such program, the Secretary

of Energy, consistent with such overall management responsibility—

(1) shall utilize the expertise of the Department of Transportation to the extent deemed appropriate by the Secretary of Energy; and

(2) may utilize any other Federal agency (except as provided in paragraph (1)) in accordance with subsection (c) in carrying out any activities under this title, to the extent that the Secretary of Energy determines that any such agency has capabilities which would allow such agency to contribute to the purposes of this title.

(b) The Secretary of Transportation, whenever the expertise of the Department of Transportation is utilized in accordance with subsection (a), may exercise the powers granted to the Secretary of Energy under subsection (c) and shall enter into contracts and make grants for such purpose, subject to the overall management responsibility of the Secretary of Energy.

(c) The Secretary of Energy may, in accordance with subsection (a), obtain the assistance of any department, agency, or instrumentality of the executive branch of the Federal Government upon written request, on a reimbursable basis or otherwise and with the consent of such department, agency, or instrumentality. Each such request shall identify the assistance the Secretary of Energy deems necessary to carry out any duty under this title.

(d) The Secretary of Energy shall consult with the Administrator of the Environmental Protection Agency and the Secretary of Transportation, and shall establish procedures for periodic consultation with representatives of science, industry, and such other groups as may have special expertise in the area of automobile propulsion system research, development, and technology. The Secretary of Energy may establish such advisory panels as he deems appropriate to review and make recommendations with respect to applications for funding under this title.

(e) Nothing contained in this title shall be construed to reduce in any way the responsibilities of the Secretary of Energy for automotive research, development, and demonstration under the Energy Reorganization Act of 1974 (42 U.S.C. 5801 et seq.) and the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901 et seq.).

EVALUATION, TESTING, AND INFORMATION DISSEMINATION

SEC. 307. (a) The Secretary of Energy shall, for the purposes of performing his responsibilities under this title, consider any reasonable new or improved technology, a description of which is submitted to the Secretary of Energy in writing, which could lead or contribute to the development of advanced automobile propulsion system technology.

(b) The Administrator of the Environmental Protection Agency shall test, or cause to be tested, in a facility subject to Environmental Protection Agency supervision, each advanced automobile propulsion system in an appropriately modified production vehicle equipped with such a system developed in whole or in part with Federal financial assistance under this title, or referred to the Administrator of the Environmental Protection Agency for such purpose by the Secretary of Energy, to determine whether such vehicle complies with any exhaust emission standards or any other requirements promulgated or reasonably expected to be promulgated under any provision of the Clean Air Act (42 U.S.C. 1857 et seq.), the Noise Control Act of 1972 (42 U.S.C. 4901 et seq.), or any other provision of Federal law administered by the Administrator of the Environmental Protection Agency. In conjunction with any test for compliance with exhaust emission standards under this section, the Administrator of the Environmental Protection Agency shall also conduct tests to determine the fuel economy of such vehicle. The Administrator of the Environmental Protection Agency shall submit all test data and the results of such tests to the Secretary of Energy.

(c) The Secretary of Energy shall collect, analyze, and disseminate to developers information, data, and materials that may be relevant to the development of advanced automobile propulsion system technology.

PATENTS

SEC. 308. Section 9 of the Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5908) shall apply to any contract (including any assignment, substitution of parties, or subcontract thereunder) or grant, entered into, made, or issued by the Secretary of Energy under this title.

COMPTROLLER GENERAL AUDIT AND EXAMINATION

SEC. 309. Section 306 of the Energy Reorganization Act of 1974 (42 U.S.C. 5876) shall apply with respect to the authority of the Comptroller General to have access to and rights of examination of books, documents, papers, and records of recipients of financial assistance under this title; except that for the purposes of this title, the term "contract" (as used in section 166 of the Atomic Energy Act (42 U.S.C. 2206), insofar as it relates to such section 306) means "contract or grant."

REPORTS

SEC. 310. (a) As a separate part of the annual report submitted under section 15(a) of the Federal Nonnuclear Energy Research and Development Act of 1974 with respect to the comprehensive plan and program then in effect under section 6 (a) and (b) of such Act, the Secretary of Energy shall submit to Congress an annual report of activities under this title. Such report shall include—

(1) a current comprehensive program definition for implementing this title;

(2) an evaluation of the state of automobile propulsion system research and development in the United States;

(3) the number and amount of contracts and grants made under this title;

(4) an analysis of the progress made in developing advanced automobile propulsion system technology; and

(5) suggestions for improvements in advanced automobile propulsion system research and development, including recommendations for legislation.

(b) The Secretary of Energy shall conduct a survey of developers, lending institutions, and other appropriate persons or institutions and shall otherwise make a study for the purpose of determining whether, and under what conditions, research, development, demonstration, and commercial availability of advanced automobile propulsion system technology may be aided by the guarantee of financial obligations by the Federal Government. The Secretary of Energy shall report the results of such survey and study to the Congress within 1 year after the date of enactment of this Act. Such report shall include an examination of those stages of advanced automobile propulsion system technology research, development, demonstration, and commercialization for which financial obligation guarantees may be useful or appropriate and shall contain such legislative recommendations as may be necessary.

AMENDMENT OF THE NATIONAL AERONAUTICS AND SPACE ACT

SEC. 311. (a) Section 102 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2451) is amended by redesignating subsection (e) as subsection (f), and by inserting immediately after subsection (d) the following new subsection:

"(e) The Congress declares that the general welfare of the United States requires that the unique competence in scientific and engineering systems of the National Aeronautics and Space Administration also be directed toward the development of advanced automobile propulsion systems. Such development shall be conducted so as to contribute to the development shall be conducted so as to contribute to the achievement of the purposes set forth in section 302(b) of the Automotive Propulsion Research and Development Act of 1977.".

(b) The subsection of section 102 of such Act redesignated as subsection (f) by subsection (a) of this section is amended by striking out "and (d)" and inserting in lieu thereof "(d), and (e)".

AUTHORIZATION FOR APPROPRIATION

SEC. 312. There is authorized to be appropriated to carry out the purposes of this title, in addition to any amounts made available for such purposes pursuant to title I of this Act, the sum of $12,500,000 for the fiscal year ending September 30, 1978.

TITLE IV—ESTABLISHMENT OF FINANCIAL SUPPORT PROGRAM FOR MUNICIPAL WASTE REPROCESSING DEMONSTRATION FACILITIES

SEC. 401. The Federal Nonnuclear Energy Research and Development Act of 1974 (42 U.S.C. 5901 et seq.), as amended by section 207 of this Act, is further amended by adding at the end thereof the following new section:

"FINANCIAL SUPPORT PROGRAM FOR MUNICIPAL WASTE REPROCESSING DEMONSTRATION FACILITIES

"SEC. 20. (a) It is the purpose of this section—

"(1) to assure adequate Federal support to foster a program to demonstrate municipal waste reprocessing for the production of fuel and energy intensive products; and

"(2) to gather information about the technological, economic, environmental, and social costs, benefits, and impacts of such demonstration facilities.

"(b)(1) The Administrator is authorized and directed, to the extent provided in appropriation Acts, to establish such a demonstration program by making grants, contracts, price supports, and cooperative agreements pursuant to this Act or any combination thereof for the establishment of municipal waste reprocessing demonstration facilities. For the purpose of this section municipal waste shall include but not be limited to municipal solid waste, sewage sludge, and other municipal organic wastes.

"(2) The aggregate amount of funds available for grants, contracts, price supports, and cooperative agreements for municipal waste reprocessing demonstration facilities shall not exceed $20,000,000 in the fiscal year ending September 30, 1978.

"(3) For purposes of this section the term 'municipal' shall include any city, town, borough, county, parish, district, or other public body created by or pursuant to State law.

"(4) Municipal waste reprocessing demonstration facilities established under this section shall be owned or operated (or both owned and operated) by the municipality and shall involve the recovery of energy or energy intensive products. Such facilities may be established by any public or private entity, by contract or otherwise, as may be determined by the local government which will own or operate (or both own and operate) such facilities and to which financial support is provided. The Federal share for any such facility to which this section applies shall not exceed 75 per centum of the cost of

such facility, and not more than $40,000,000 in Federal funds under this section may be used for the construction of any one facility.

"(5) The Administrator shall promulgate such regulations as he deems necessary, pursuant to section 7(a)(4) and section 7(c)(1) and (6) of this Act, for purposes of establishing a price support program for revenue producing products of municipal waste reprocessing demonstration facilities.

"(c)(1) The Administrator shall consult with the Environmental Protection Agency to assure that the provisions of section 8004 of the Resource Conservation and Recovery Act of 1976 (Public Law 94-580) are applied in carrying out this section.

"(2) Any energy-related research, development, or demonstration project for the conversion (including bioconversion) of municipal waste carried out by the Energy Research and Development Administration pursuant to this or any other Act shall be administered in accordance with the May 7, 1976, Interagency Agreement between the Environmental Protection Agency and the Energy Research and Development Administration on the development of energy from solid wastes; and specifically, in accordance with such Agreement (A) for those energy-related projects of mutual interest, planning will be conducted jointly by the Environmental Protection Agency and the Energy Research and Development Administration, following which project responsibility will be assigned to one agency; (B) energy-related aspects of projects for recovery of fuels or energy intensive products from municipal waste as defined in this section shall be the responsibility of the Energy Research and Development Administration including energy-related economic and institutional aspects; and (C) the Environmental Protection Agency shall retain responsibility for the environmental and other economic and institutional aspects of solid waste projects and for assurance that such projects are consistent with any applicable suggested guidelines published pursuant to section 1008 of the Resource Conservation and Recovery Act of 1976 (Public Law 94-580), and any applicable State or regional waste management plan.

"(d)(1) The Administrator shall establish such guidelines as he deems necessary for purposes of obtaining pertinent information from municipalities receiving funding under this section. These guidelines shall include but not be limited to methods of assessment and evaluation of projects authorized under this section. Such assessments and evaluations shall be presented by the Administrator to the House Committee on Science and Technology and the Senate Committee on Energy and Natural Resources upon the request of either such committee.

"(2) The Administrator shall annually submit a report to the Congress concerning the actions taken or not taken by the Administrator under this section during the preceding fiscal year, and including but not limited to (A) a discussion of the status of each demonstration facility and related facilities financed under this section, including progress made in the development of such facilities, and the expected or actual production from each such facility including byproduct production therefrom, and the distribution of such products and byproducts, (B) a statement of the financial condition of each such demonstration facility, (C) data concerning the environmental, community, and health and safety impacts of each such facility and the actions taken or planned to prevent or mitigate such impacts, (D) the administrative and other costs incurred by the Administrator and other Federal agencies in carrying out this program, and (E) such other data as may be helpful in keeping Congress and the public fully and currently informed about the program authorized by this section.

"(3) The annual reports required by this subsection shall be a part of the annual report required by section 15 of this Act, except that the matters required to be reported by this subsection shall be clearly set out and identified in such annual reports. Such reports shall be transmitted to the Speaker of the House of Representatives and the House Committee on Science and Technology and to the President of the Senate and the Senate Committee on Energy and Natural Resources.

"(e) No part of the program authorized by this section shall be transferred to any other agency or authority, except pursuant to Act of Congress enacted after the date of the enactment of this section.

"(f) Nothing in this section shall be construed as abrogating any obligations of any municipality receiving financial assistance pursuant to this section to comply with Federal and State environmental, land use, water, and health and safety laws and regulations or to obtain applicable Federal and State permits, licenses, and certificates.".

TITLE V—AMENDMENTS TO THE GEOTHERMAL ENERGY RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACT

SEC. 501. As used in this title—

(1) the term "Act" means the Geothermal Energy Research, Development, and Demonstration Act of 1974 (88 Stat. 1079); and

(2) the term "Administrator" means the Administrator of the Energy Research and Development Administration.

SEC. 502. Section 101(b) of the Act is amended—

(1) by striking out subparagraph (E) of paragraph (1) and inserting in lieu thereof the following:

"(E) the Assistant Administrator of the Energy Research and Development Administration for Solar, Geothermal, and Advanced Energy Systems;";

(2) by striking out the period at the end of paragraph (1) and inserting in lieu thereof a semicolon;

(3) by adding at the end of paragraph (1) the following new subparagraphs:

"(G) an Assistant Administrator of the Environmental Protection Agency;

"(H) an Assistant Secretary of Treasury; and

"(I) an Assistant Secretary of Agriculture."; and

(4) by striking out "one member of the Project" in paragraph (2) and inserting in lieu thereof "the Assistant Administrator of the Energy Research and Development Administration for Solar, Geothermal, and Advanced Energy Systems".

SEC. 503. Section 103(b)(4) of the Act is amended by inserting the phrase "or administrative regulations" after "legislation", and by inserting ", environmental and taxing" after "leasing".

SEC. 504. Section 105(e)(3) of the Act is amended by striking out the period and inserting in lieu thereof "or such assistance would not be adequate to satisfy the goals and requirements of the demonstration program under this section.".

SEC. 505. Section 201(b) of the Act is amended by striking out "or" at the end of paragraph (3), by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; or ", and by adding at the end thereof the following new paragraph:

"(5) construction and operation of a new commercial, agricultural, or industrial structure or facility or modification and operation of an existing commercial, agricultural, or industrial structure or facility, when geothermal hot water or steam is to be used within or by such structure or facility, or modification thereto, for the purposes of space heating or cooling, industrial or agricultural processes, onsite generation of electricity for use other than for sale or resale in commerce, other commercial applications, or combinations of applications separately eligible under this title for loan guarantee assistance.".

SEC. 506. Section 201(b)(4) of the Act is amended by striking out "from" and inserting in lieu thereof "using".

SEC. 507. Section 201(c) of the Act is amended by adding at the end thereof the following new sentence: "In the case of a guaranty for the purposes specified in subsection (b)(5), the aggregate cost of the project shall be deemed to be that portion of the total cost of construction and operation which is directly related to the utilization of geothermal energy within the structure or facility in question, except that the aggregate cost of the project with respect to which the loan is made may be the total cost including construction and operation in cases where the facility or structure has been located near a geothermal energy resource predominantly for the purpose of utilizing geothermal energy, or as determined by the Administrator the economic viability of the project is substantially dependent upon the performance of the geothermal reservoir.".

SEC. 508. Section 201(e) of the Act is amended—

(1) by striking out "$25,000,000" and inserting in lieu thereof $100,000,000: *Provided*, That in the case of a guaranty under subsection (b)(5), the amount of the guaranty for any loan for a project shall not exceed $50,000,000";

(2) by striking out "$50,000,000" and inserting in lieu thereof "$200,000,000"; and

(3) by inserting before the period at the end thereof the following: ", unless the Administrator determines in writing that a guaranty in excess of these amounts is in the national interest. Any such determination shall be submitted to the Speaker of the House and the Committee on Science and Technology of the House of Representatives, and to the President of the Senate and the Committee on Energy and Natural Resources of the Senate, accompanied by a full and complete report on the proposed project and guaranty. The proposed guaranty or commitment to guarantee shall not be finalized under authority granted by this Act prior to the expiration of thirty calendar days (not including any date on which either House of Congress is not in session) from the date on which such report is received by the Speaker of the House and the President of the Senate: *Provided*, That such guaranty or commitment to guarantee shall not be finalized if prior to the close of such thirty-day period either House passes a resolution stating in substance that such House does not favor the making of such guaranty or commitment to guarantee."

SEC. 509. Section 201 of the Act is further amended by adding at the end thereof the following new subsections:

"(g) With respect to any guaranty which is issued after the enactment of this subsection by, or in behalf of, any State, political subdivision, or Indian tribe and which is either guaranteed under, or supported by taxes levied by said issuer which are guaranteed under this title, and for which the interest paid on such obligation and received by the purchaser thereof is included in gross income for the purposes of chapter 1 of the Internal Revenue Code of 1954, as amended, the Administrator shall pay to such issuer out of the fund established by this title such portion of the interest on such obligations, as determined by the Administrator, in consultation with the Secretary of the Treasury, to be appropriated after taking into account current market yields (1) on obligations of such issuer, if any, or (2) on other obliga-

tions with similar terms and conditions, the interest on which is not so included in gross income for purposes of chapter 1 of said Code, and in accordance with such terms and conditions as the Administrator shall require in consultation with the Secretary of the Treasury.

"(h) The full faith and credit of the United States is pledged to the payment of all guaranties issued under this title with respect to principal and interest.

"(i) The Administrator shall charge and collect fees for guaranties in amounts sufficient in his judgment to cover applicable administrative costs and probable losses on guaranteed obligations, but in any event not to exceed 1 per centum per annum of the outstanding indebtedness covered by each guaranty. Fees collected under this subsection shall be deposited in the fund established by this title.

"(j) The Secretary of the Treasury shall insure to the maximum extent feasible that the timing, interest rate, and substantial terms and conditions of any guaranty exceeding $25,000,000 will have the minimum possible impact on the capital markets of the United States, taking into account other Federal direct and indirect commercial securities activities.".

SEC. 510. Section 202 of the Act is amended to read as follows:

"DEFAULT; PAYMENT OF INTEREST

"SEC. 202. (a) If there is a default by the borrower, as defined in regulations promulgated by the Administrator and set forth in the guarantee contract, the holder of the obligation shall have the right to demand payment of the unpaid amount from the Administrator. Within such period as may be specified in the guarantee or related agreements, the Administrator shall pay to the holder of the obligation the unpaid interest on, and unpaid principal of the guaranteed obligation as to which the borrower has defaulted, unless the Administrator finds that there was no default by the borrower in the payment of interest or principal or that such default has been remedied. Nothing in this section shall be construed to preclude any forebearance by the holder of the obligation for the benefit of the borrower which may be agreed upon by the parties to the guaranteed obligation and approved by the Administrator.

"(b) If the Administrator makes a payment under subsection (a) of this subsection, the Administrator shall be subrogated to the rights of the recipient of such payment as specified in the guarantee or related agreements including, where appropriate, the authority (notwithstanding any other provision of law) to complete, maintain, operate, lease, or otherwise dispose of any property acquired pursuant to such guarantee or related agreements, or to permit the borrower, pursuant to an agreement with the Administrator, to continue to pursue the purposes of the project if the Administrator determines this to be in the public interest. The rights of the Administrator with respect to any property acquired pursuant to such guarantee or related agreements, shall be superior to the rights of any other person with respect to such property.

"(c) In the event of a default on any guarantee under this title, the Administrator shall take such action as may be appropriate to recover the amounts of any payments made under subsection (a), including any payment of principal and interest under subsection (d), from such assets of the defaulting borrower as are associated with the project, or from any other security included in the terms of the guarantee.

"(d) With respect to any obligation guaranteed under this title, the Administrator is authorized to enter into a contract to pay, and to pay, holders of the obligation, for and on behalf of the borrower, from the Geothermal Resources Development Fund, the principal and interest payments which become due and payable on the unpaid balance of such obligation if the Administrator finds that—

"(1) the borrower is unable to meet such payments and is not in default; it is in the public interest to permit the borrower to continue to pursue the purposes of such project; and the probable net benefit to the Federal Government in paying such principal and interest will be greater than that which would result in the event of a default;

"(2) the amount of such payment which the Administrator is authorized to pay shall be no greater than the amount of principal and interest which the borrower is obligated to pay under the loan agreement; and

"(3) the borrower agrees to reimburse the Administrator for such payment on terms and conditions, including interest, which are satisfactory to the Administrator.".

SEC. 511. Section 204 of the Act is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection (c):

"(c) If at any time the moneys available in the fund are insufficient to enable the Administrator to discharge his responsibilities under this title, he shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary of the Treasury. This borrowing authority shall be effective only to such extent or in such amounts as are specified in appropriation Acts. Such authorizations may be without fiscal year limitations. Redemption of such notes or obligations shall be made by the Administrator from appropriations or other moneys available under this section. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, which shall not be less than a rate determined by taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury shall purchase any notes or other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes or obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.".

SEC. 512. Title II of the Act is further amended by adding at the end thereof the following new section:

"COMMUNITY IMPACT ASSISTANCE

"SEC. 205. (a) The Administrator, for any project which has a guarantee under this title of not less than $50,000,000 and which will have an intended operating life of not less than five years to satisfy the purposes under this title for which the guarantee has been made, shall endeavor to insure that, taking into consideration appropriate local community action and all reasonably available forms of assistance under this section and other Federal and State statutes, that the impacts resulting from the proposed project have been fully evaluated by the borrower, the Administrator, and the Governor of the affected State, and that effective steps have been taken or will be taken in a timely manner to finance community planning and development costs resulting from such project under this section, if applicable under other provisions of law, or by other means. When the project will be located on leased Federal lands, the Administrator shall specifically review State and local actions under section 9(a) of the Mineral Leasing Act Amendments of 1976 (Public Law 94-377) and insure that any funds made available to the State pursuant to such section 9(a) are used to finance such planning and development costs before any Federal assistance under subsection (c) of this section is considered or authorized.

"(b) The Administrator, for projects not included under subsection (a), may in his discretion consider the community impacts which may result from such projects, and may take such actions, under authority directly available to him under other statutes or in coordination with other Federal agencies or the State, as he considers necessary and appropriate to insure timely and effective planning and financing for such community impacts.

"(c)(1) In order to discharge his responsibilities under subsection (a), and in accordance with such rules and regulations as the Administrator in consultation with the Secretary of the Treasury shall prescribe, and subject to such terms and conditions as he deems appropriate, the Administrator is authorized, for the purposes of financing essential community development and planning which directly result from, or are necessitated by, a project under subsection (a), to—

"(A) guarantee and make commitments to guarantee the payment of interest on, and the principal balance of, obligations for such financing issued by eligible States, political subdivisions, or Indian tribes,

"(B) guarantee and make commitments to guarantee the payment of taxes imposed on such project by eligible non-Federal taxing authorities which taxes are earmarked by such authorities to support the payment of interest and principal on obligations for such financing, and

"(C) require that the qualified borrower receiving assistance for a project under this section advance sums to eligible States, political subdivisions, and Indian tribes to pay for the financing of such development and planning: *Provided*, That the State, political subdivision, or Indian tribe agrees to provide tax abatement credits over the life of the project for such payments by such applicant.

"(2) No guarantee or commitment to guarantee under paragraph (1) of this subsection shall exceed $1,000,000.

"(3) In the event of any default by the borrower in the payment of taxes guaranteed by the Administrator under this section, the Administrator shall pay out of the fund established by this title such taxes at the time or times they may fall due, and shall have by reason of such payment a claim against the borrower for all sums paid plus interest.

"(4) If after consultation with State, political subdivision, or Indian tribe, the Administrator finds that the financial assistance programs of paragraph (1) of this section will not result in sufficient funds to carry out the purposes of this subsection, then the Administrator may—

"(A) make direct loans to the eligible States, political subdivisions, or Indian tribes for such purposes: *Provided*, That such loans shall be made on such reasonable terms and conditions as the Administrator shall prescribe: *Provided further*, That the Administrator may waive repayment of all or part of a loan made under this paragraph, including interest, if the State or political subdivision or Indian tribe involved demonstrates to the satisfaction of the Administrator that due to a change in circumstances

there will be net adverse impacts resulting from such project that would probably cause such State, subdivision, or tribe to default on the loan; or

"(B) require that any community development and planning costs which are associated with, or result from, such project, and which are determined by the Administrator to be appropriate for such inclusion, shall be included in the aggregate costs of the project.

"(5) The Administrator is further authorized to make grants to States, political subdivisions, or Indian tribes for studying and planning for the potential economic, environmental, and social consequences of projects and for establishing related management expertise.

"(6) At any time the Administrator may, in consultation with the Secretary of the Treasury, redeem, in whole or in part, out of the fund established by this section, the debt obligations guaranteed or the debt obligations for which tax payments are guaranteed under this subsection.

"(7) When one or more States, political subdivisions, or Indian tribes would be eligible for assistance under this subsection, but for the fact that construction and operation of the project occurs outside its jurisdiction, the Administrator is authorized to provide, to the greatest extent possible, arrangements for equitable sharing of such assistance.

"(8) Such amounts as may be necessary for direct loans and grants pursuant to this subsection shall be available as provided in annual authorization Acts.

"(9) The Administrator, if appropriate, shall provide assistance in the financing of up to 100 per centum of the costs of the required community development and planning pursuant to this section.

"(10) In carrying out the provisions of this section, the Administrator shall provide that title to any facility receiving financial assistance under this section shall vest in the applicable State, political subdivision, or Indian tribe, as appropriate, and in the case of default by the borrower on a loan guarantee made or committed under subsection (b) of this section, such facility shall not be considered a project asset for the purposes of section 202 of this Act.

"(11) The Administrator shall not use his authority under this subsection to provide Federal assistance unless any Federal funds transferred pursuant to section 9(a) of the Mineral Leasing Act Amendments of 1976 (Public Law 94–377) to the State from the lease of Federal land for or associated with the project have been or, with assurance, will be committed, to the maximum extent allowable under Federal statutes, to financing such essential community development or planning directly resulting from, or necessitated by, a project on leased Federal lands.".

TITLE VI—ELECTRIC AND HYBRID VEHICLE RESEARCH, DEVELOPMENT, AND DEMONSTRATION PROGRAM

SEC. 601. (a) Section 7(b)(3) of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976 (15 U.S.C. 2506(b)(33 is amended by striking out ", except that rules promulgated under paragraph (1) shall be amended not later than 6 months prior to the date for contracts specified in subsection (c)(2)".

(b) Section 7(b)(4) of such Act (15 U.S.C. 2506(b)(4)) is amended to read as follows:

"(4) The Administrator shall transmit to the Speaker of the House of Representatives and the President of the Senate, and to the Committee on Science and Technology of the House of Representatives and the Committee on Energy and Natural Resources of the Senate, the performance standards developed under paragraph (1) and all revised performance standards established in connection with the demonstrations specified in subsection (c)(2).".

(c) Section 7(c) of such Act (15 U.S.C. 2506(c)) is amended to read as follows:

"(c)(1) The Administrator shall, within 6 months after the date of promulgation of performance standards pursuant to subsection (b)(1), institute the first contracts for the purchase or lease of electric or hybrid vehicles which satisfy the performance standards set forth under (b)(1). The delivery of which vehicles shall be completed according to the expedited best effort of the administering agency and the selected manufacturer. To the extent practicable, vehicles purchased or leased under such contracts shall represent a cross section of the available technologies and of actual or potential vehicle use.

"(2) Thereafter, according to a planned schedule, the Administrator shall contract for the purchase or lease of additional electric or hybrid vehicles which satisfy amended performance standards and represent continuing improvements in state-of-the-art. In conducting demonstrations, the Administrator shall consider—

"(A) the need and intent of the Congress to stimulate and encourage private sector production as well as public knowledge, acceptance, and use of electric and hybrid vehicles; and

"(B) demonstration of varying degrees of which operations, management, and control for maximum wide-spread effectiveness and exposure to public use.

"(3) The demonstration period shall extend through the fiscal year 1986, with purchase or leasing continuing through the fiscal year 1984. During the demonstration period the Administrator shall demonstrate 7,500 to 10,000 electric and hybrid vehicles. No more than 400 vehicles may be procured for this purpose during fiscal year 1978. In order to allow industry time for advanced planning, the size and nature of projected electric and hybrid vehicle leasing and procurements will be made public by the administering agency. Publications under the preceding sentence (each covering a period of two years) shall be released annually starting at an appropriate time in the fiscal year 1978.

"(4) If the Administrator determines on the basis of his annual review of the program under this Act that—

"(A) at least 200 vehicles cannot be added to the project during the fiscal year 1978, or

"(B) at least 600 vehicles cannot be added to the project during the fiscal year 1979, or

"(C) at least 1,700 vehicles cannot be added to the project during the fiscal year 1980, or

"(D) at least 7,500 vehicles in the aggregate cannot be added to the project during the fiscal years 1981 through 1984,

he shall immediately forward a detailed explanation thereof to the Speaker of the House of Representatives, the President of the Senate, the Committee on Science and Technology of the House of Representatives, and the Committee on Energy and Natural Resources of the Senate.".

SEC. 602. Section 8 of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976 (15 U.S.C. 2507) is amended by adding at the end thereof the following new subsections:

"(d) In addition to contracting for the purchase or lease of vehicles when conducting the demonstrations established under section 7, the Administrator may acquire or secure use of such vehicles, or have such vehicles acquired or used by others, by making agreements and utilizing various forms of Federal assistance and participation which is authorized under the Energy Reorganization Act of 1974 (Public Law 93–438) and the Federal Nonnuclear Energy Research and Development Act of 1974 (Public Law 93–577).

"(e) When contracting and otherwise using Federal funds to conduct demonstrations under this Act, the Administrator shall seek cost sharing with others to the maximum extent practical. During the first 2 years of demonstration activities the Administrator may enter into procurement or lease contracts for purposes of carrying out demonstrations under this Act without regard to the provisions of title III of the Act of March 3, 1933 (47 Stat. 1520; 41 U.S.C. 10a–10c).".

SEC. 603. (a)(1) Section 10(e) of the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976 (15 U.S.C. 2509(e)) is amended by adding at the end of the following new paragraph:

"(3)(A) There is established in the Treasury of the United States an Electric and Hybrid Vehicle Development Fund (hereinafter in this paragraph referred to as the 'fund'), which shall be available to the Administrator for carrying out the loan guarantee and principal and interest assistance program authorized by this Act, including the payment of administrative expenses incurred in connection therewith. Moneys in the fund not needed for current operations may, with the approval of the Secretary of the Treasury, be invested in bonds or other obligations of, or guaranteed by, the United States.

"(B) There shall be paid into the fund such part of the amounts appropriated pursuant to section 16 as the Administrator deems necessary to carry out the purposes of this Act and such amounts as may be returned to the United States pursuant to subsection (g) of this section, and the amounts in the fund shall remain available until expended, except that after the expiration of the 7-year period established by subsection (h) of this section such amounts in the fund as are not required to secure outstanding guarantee obligations shall be paid into the general fund of the Treasury.

"(C) If at any time the moneys available in the fund are insufficient to enable the Administrator to discharge his responsibilities under this section, he shall issue to the Secretary of the Treasury notes or other obligations in such forms and denominations bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary of the Treasury. This borrowing authority shall be effective only to such extent or in such amounts as are specified in appropriation Acts. Such authority shall be without fiscal year limitation. Redemption of such notes or obligations shall be made by the Administrator from appropriations or other moneys available under this Act. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, which shall not be less than a rate determined by taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury shall purchase any notes or other obligations hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes or obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States.

"(D) Business-type financial reports cov-

ering the operations of the fund shall be submitted to the Congress by the Administrator annually upon the completion of the appropriate accounting period.".

(2) Section 10 of such Act is further amended by adding at the end thereof the following new subsection:

"(j) The full faith and credit of the United States is pledged to the payment of all obligations incurred under this section.".

(b) Section 10(g) of such Act (15 U.S.C. 2509(g)) is amended to read as follows:

"(g)(1) With respect to any loan guaranteed pursuant to this section, the Administrator is authorized to enter into a contract to pay, and to pay, the lender for and on behalf of the borrower the principal and interest charges which become due and payable on the unpaid balance of such loan if the Administrator finds—

"(A) that the borrower is unable to meet principal and interest charges, that it is in the public interest to permit the borrower to continue to pursue the purposes of the project, and that the probable net cost to the Federal Government in paying such principal will be less than that which would result in the event of a default; and

"(B) that the amount of such principal and interest charges which the Administrator is authorized to pay shall be no greater than the amount of principal and interest which the borrower is obligated to pay under the loan agreement.

"(2) In the event of any default by a qualified borrower on a guaranteed loan, the Administrator is authorized to make payment in accordance with the guarantee, and the Attorney General shall take such action as may be appropriate to recover the amounts of such payments (including any payment of principal and interest under paragraph (1)) from such assets of the defaulting borrower as are associated with the activity with respect to which the loan was made or from any other surety included in the terms of the guarantee."

(c) Section 10(h) of such Act (15 U.S.C. 2509(h)) is amended by striking out "the 5-year period" and inserting in lieu thereof "the 7-year period".

Mr. TEAGUE (during the reading). Mr. Speaker, I ask unanimous consent to dispense with further reading of the amendment in the nature of a substitute, and that it be printed in the RECORD.

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

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Texas (Mr. TEAGUE) for 1 hour.

Mr. TEAGUE. Mr. Speaker, the gentleman from Texas (Mr. YOUNG) and the gentleman from Ohio (Mr. LATTA) have told us just exactly what this bill is. So far as we know, there is no controversy or no opposition. The President vetoed the previous bill because of the Clinch River project. We have taken the Clinch River project from this bill, and we are sending it back to him with the rest of the bill intact.

Mr. Speaker, I am here today only as a result of President Carter's veto action on the bill, S. 1811, which authorized appropriations for the Department of Energy Civilian Research and Development programs for the fiscal year 1978. Before I begin, Mr. Speaker, I would like to take this opportunity to thank and commend the chairman of the three subcommittees in our committee who worked so hard and diligent to bring an authorization bill to the floor.

The work of WALTER FLOWERS, chairman of the Subcommittee on Fossil and Nuclear Energy, MIKE MCCORMACK, chairman of the Subcommittee on Advanced Energy Technologies and Conservation as well as the subcommittee chairman on the Environment and Atmosphere GEORGE BROWN have set a high standard of leadership for the members of our committee and I truly feel they deserve this recognition I give them today. Let me finally thank the staff of the committee who also worked very hard in analyzing three separate budget submittals and drafted many amendments and the legislation you have before you today.

The President stated in his veto message that S. 1811 was returned because it contained funding authorizing the continuation of the Clinch River breeder reactor project and he expressed the usual executive branch disapproval of the one-House veto provisions contained in the bill. It should be noted that the conference report accompanying S. 1811 passed the House overwhelmingly by a vote of 366 to 52 on October 20, 1977. Therefore, we are taking this step today, which is really only a technical action since the Congress has already acted on this matter, to amend the Senate-passed bill, S. 1340, and incorporate all of the authorization language of the vetoed S. 1811 with the exception of the following:

This bill with its programs and new emphasis is the key to the national effort to solve our energy problems. It is the only energy bill that is before the Congress which addresses long range supply and demand issues by tapping our coal, oil shale, geothermal and nuclear resources. Therefore, we have walked the extra mile to accommodate the President by taking out of the bill any reference to the Clinch River breeder reactor project and removing one of the one-house veto provisions that the President found offensive.

Specifically, S. 1340 as amended will eliminate all funding for the Clinch River breeder reactor project—$80 million. It also eliminates section 106 language which related to the Clinch River breeder reactor project. And, finally, it strikes all of title V of S. 1811 which dealt with uranium enrichment services pricing and included a one-house veto provision. Mr. Speaker, there are no other changes in the bill. We feel strongly that the authorization process must be preserved, and that the many exciting new initiatives contained in our bill should be gotten underway now. The new total authorized to be appropriated to the Department of Energy for Civilian Research, Development and Demonstration and related activities is $6,081,445,000 which reflects the $80 million reduction below the total of S. 1811.

Mr. Speaker, let me review the Senate bill, S. 1340, for a moment. The S. 1340 bill passed the Senate in the early months of the 95th Congress and was sent to the House for action. However, the bill was never referred to committee. S. 1811 as introduced, contained only nuclear R. & D. authority for civilian programs. However, before final passage in the Senate it was expanded to incorporate the S. 1340 language, and was then forwarded to the House and referred to our committee.

The House, acting on its own, passed H.R. 6796 after being favorably reported by the Committee on Science and Technology and sequentially referred to the Committees on Armed Services and International Relations. Subsequent to the passage of H.R. 6796, S. 1811 was taken from the table, and amended by the House by incorporating the contents of H.R. 6796.

Subsequent to conference, S. 1811 was passed by both the House and the Senate.

It passed the House on October 20, 1977, by a recorded vote of 366 to 52. S. 1811 would have authorized appropriations of $6,161,435,000 for the newly created Department of Energy's civilian research and development programs for fiscal year 1978.

Mr. Speaker, the primary reason for this authorization bill is the requirement to authorize new programs and the continuation of existing programs on a year-to-year basis for the new Department of Energy research and development activities. This requirement is contained in the new Department of Energy statute, just as it is contained in the Non-Nuclear Energy Research and Development Act of 1974. The appropriation is not sufficient to carry forward the Department of Energy functions without a good deal of confusion—and, at the same time, any new initiatives will be very uncertain. There is no issue of authorization versus appropriation. I feel strongly that the Appropriation Committee role must be complemented by the authorization committee role of making careful studies of program initiatives and indeed make certain that the congressional intent is stamped clearly on agency activities. This process assures the Appropriations Committee and the Members of this body that the requested programs by a given agency are not frivilous requests.

Mr. Speaker, this bill, S. 1340, and the one it supersedes, S. 1811, is and was a good bill. It is vitally needed to get our fossil and nuclear programs, for example, and biomass programs moving. The conference was accomplished in the spirit of compromise and candor, and the bill truly reflected the many varied views and resulted in a firm and solid foundation for the newly created Department of Energy.

The major reason expressed by the Presdent in his veto message for his action on S. 1811 was the Clinch River breeder reactor project. Let me say here and now I do not agree with his reasoning. I respect his opinion, but I do not agree with it. I think he is ill-advised and I think that the breeder technology has a vital role to play in this country's energy future.

This bill contains no funding for Clinch River, but let me emphasize that the base breeder technology program is still contained in this bill. We intend to vigorously pursue not only this energy technology option, but all the aforementioned technologies which have merit. They all have their roles to play in in-

creasing energy supply, using our own resources, and in reducing energy demand. We intend to see that they receive the necessary exposure.

This bill is not a one-issue bill, for there are a number of new initiatives which the committee has taken in this bill which are extremely vital to this Nation's future. The committee has acted in a most positive manner in the areas of fossil fuels, geothermal, solar, conservation, nuclear and other areas of major concern—not only to the committee and this body, but to the Nation.

Mr. Speaker, in addition to the specific concerns mentioned above, the bill is structured so that basic changes in the programs conducted by the Department of Energy from those changes authorized by Congress will require notification to the appropriate committees and the Congress. Our congressional oversight will be greatly improved since the committees and the Congress will be kept involved in any changes in program direction.

Mr. Speaker, in closing, let me thank you and all the Members of this body for your patience and your diligence in dealing with this most difficult and complex piece of legislation during the year.

I think the House has again displayed to the executive branch as well as to the country that it can and will act in a responsible manner when put to the test. Because of the importance we place on all the language worked out to accompany the previously vetoed S. 1811 bill, I have included the conference report in my remarks with the necessary changes we have made to accommodate the President's veto. I think it expresses the will of the committee, the will of the conferees, and the will of both bodies to act on one of the Nation's most pressing problems.

At this point in the RECORD I think it is appropriate to insert the language of the conference report that accompanied S. 1811 so that the intent of the House is clear in the passage of the revised S. 1340.

The entire conference report, 95–714, except for the statements and budgetary items from the deleted positions of the amendment follows:

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1811), Energy Research and Development Administration Authorization Act, 1978—Civilian Applications, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

EXPLANATION OF FUNDING PROVISIONS

The compromise funding provisions adopted by the conference committee regarding the civilian research and development programs is reflected in the language of the Conference report.

This statement includes the table which reflects the level of program activities contained in the bill with authorization amounts and budget outlays. The Conferees expect that the Senate Committee on Energy and Natural Resources and the House Committee on Science and Technology be kept fully and currently informed of any proposed increase in the level of funding above the amount which has been appropriated for the activities contained in the table.

U.S. ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION FISCAL YEAR 1978 CONGRESSIONAL ACTION TABLE

[In thousands]

	Fiscal year 1977 appropriation	Fiscal year 1978 House authorization	Fiscal year 1978 Senate authorization	S. 1340 authorization	Related budget outlays	Fiscal year 1978 appropriations: Budget authority	Fiscal year 1978 appropriations: Budget outlays
FOSSIL ENERGY DEVELOPMENT							
Operating Expenses							
Coal:							
Liquefaction	$72,957	$109,000	$107,000	$107,000	$109,800	$107,000	$109,800
High-Btu gasification	44,054	51,200	51,200	51,200	42,800	51,200	42,800
Low-Btu gasification	33,052	73,900	73,900	73,900	47,200	73,900	47,200
Advanced power systems	22,500	25,500	25,500	25,500	23,800	25,500	23,800
Direct combusiton (coal)	51,901	59,200	65,200	65,200	64,900	58,200	60,700
Advanced research and supporting technology	37,070	59,000	45,000	50,000	49,500	40,000	42,000
Demonstration plants	53,000	70,900	50,900	60,900	43,900	44,900	31,900
Magnetohydrodynamics	34,990	63,400	80,000	70,800	51,150	65,800	47,400
Total, coal	349,524	512,100	498,700	504,500	433,050	466,500	405,600
Petroleum and natural gas:							
Enhanced oil recovery	23,782	46,100	46,100	46,100	40,100	46,100	40,100
Enhanced gas recovery	14,874	30,000	30,000	30,000	25,500	26,900	23,400
Drilling, exploration, and offshore technology	2,400	10,600	1,600	7,600	6,500	1,600	2,000
Processing utilization	1,831	1,400	1,400	1,400	1,400	1,400	1,400
Total, petroleum and natural gas	42,887	88,100	79,100	85,100	73,500	76,000	66,900
In-situ technology:							
Oil shale	22,278	28,000	28,000	28,000	21,500	28,000	21,500
Coal gasification	8,236	27,600	11,000	19,000	18,000	11,000	12,000
Total, in-situ technology	30,514	55,600	39,000	47,000	39,500	39,000	33,500
General fossil energy reduction						−50,000	0
Energy Research Center, personnel and travel costs						−393	−393
Total, operating expenses	422,925	655,800	616,800	636,600	546,050	531,107	505,607
Total capital equipment	1,020	5,500	5,500	5,500	3,500	5,500	3,500
Total plant	59,200	242,350	350,350	[1] 212,350	37,400	83,800	34,300
Total, fossil energy development	483,145	903,650	972,650	854,450	586,950	620,407	543,407
Capital Equipment							
Coal:							
Liquefaction	0	400	400	400	200	400	200
High-Btu gasification	100	300	300	300	200	300	200
Low-Btu gasification	0	500	500	500	300	500	300
Advanced power systems	0	200	200	200	200	200	200
Direct combustion (coal)	0	200	200	200	100	200	100
Advanced research and supporting technology	0	300	300	300	200	300	200
Demonstration plants	0	0	0	0	0	0	0
Magnetohydrodynamics	0	500	500	500	300	500	300
Other capital equipment	150	0	0	0	0	0	0
Total, coal	250	2,400	2,400	2,400	1,500	2,400	1,500
Petroleum and natural gas:							
Enhanced oil recovery	100	300	300	300	200	300	200
Enhanced gas recovery	0	300	300	300	200	300	200
Drilling, exploration, and offshore technology	0	0	0	0	0	0	0
Processing utilization	0	0	0	0	0	0	0
Other capital equipment	170	0	0	0	0	0	0
Total, petroleum and natural gas	270	600	600	600	400	600	400

Footnotes at end of table.

	Fiscal year 1977 appropriation	Fiscal year 1978 House authorization	Fiscal year 1978 Senate authorization	S. 1340 authorization	Related budget outlays	Fiscal year 1978 appropriations: Budget authority	Fiscal year 1978 appropriations: Budget outlays
FOSSIL ENERGY DEVELOPMENT—Continued							
Capital Equipment—continued							
In-situ technology:							
Oil shale	450	900	900	900	600	900	600
Coal gasification	0	1,600	1,600	1,600	1,000	1,600	1,000
Other capital equipment	50	0	0	0	0	0	0
Total, in-situ technology	500	2,500	2,500	3,500	1,600	2,500	1,600
Total, capital equipment	1,020	5,500	5,500	5,500	3,500	5,500	3,500
Plant							
Coal:							
Demo plants:							
78-2-c—Low Btu fuel gas small industrial demonstration plants, sites undetermined (A-E and long-lead procurement only)	0	6,000	6,000	6,000	1,000	3,000	500
78-2-d—Solvent refined coal demonstration plant, site undetermined (A-E and long-lead procurement only)[2]	0	30,000	2,000	30,000	6,100	0	0
78-2-e—High Btu coal gasification test facility, site undetermined	0	30,000	0	0	0	0	0
76-1-b—High Btu synthetic pipeline gas demonstration plant	10,000	30,000	195,000	30,000	10,000	29,000	10,000
76-1-c—Low Btu fuel gas demonstration plant	7,300	131,250	131,250	131,250	14,000	36,000	14,000
76-1-d—Fluidized bed direct combustion demonstration plant						2,000	
Prior-year projects	30,000	0	0	0	0	0	0
Total, demo plants	47,300	227,250	334,250	197,250	31,100	70,000	25,000
Magnetohydrodynamics:							
77-1-d—MHD component development and integration facility, Butte	5,000	5,500	6,500	5,500	4,000	4,200	4,000
Other coal related plants:							
78-2-a—Analytical research, chemistry and coal carbonization laboratory, Pittsburgh Energy Research Center, Pa	0	6,600	6,600	6,600	1,300	6,600	1,300
78-2-b—Modifications and additions to energy research centers, various locations	0	3,000	3,000	3,000	1,000	3,000	1,000
Prior-year projects	6,900	0	0	0	0	0	3,000
Total, other coal related plants	6,900	9,600	9,600	9,600	2,300	9,600	5,300
Total, coal	59,200	242,350	350,350	212,350	37,400	83,800	34,300
Total, plant	59,200	242,350	350,350	212,350	37,400	83,800	34,300
SOLAR ENERGY DEVELOPMENT							
Operating Expenses							
Direct thermal application:							
Heating and cooling of buildings	84,800	91,900	97,400	94,400	88,375	93,900	88,000
Agricultural and process heat	7,800	10,300	10,300	10,300	7,600	10,300	7,600
Total, direct thermal application	92,600	102,200	107,700	104,700	95,975	104,200	95,600
Technology support and utilization	11,500	9,000	[2] 9,000	9,000	6,000	9,000	6,000
Solar electric applications:							
Solar thermal	51,300	55,600	61,100	61,100	49,850	60,100	49,100
Photovoltaics	59,400	95,200	57,200	76,200	59,250	57,200	45,000
Wind	20,500	35,300	35,300	35,300	26,000	33,300	24,500
Ocean thermal	13,500	45,100	25,300	55,300	24,500	35,300	24,500
Satellite solar power systems	0	5,000	0	2,800	2,100	0	0
Total, solar electric applications	144,700	236,200	178,900	210,700	161,700	185,900	143,100
Fuels from Biomass	9,700	21,000	19,500	20,500	12,088	20,250	11,900
Total, operating expenses	258,500	368,400	315,100	344,900	275,763	319,350	256,600
Total, capital equipment	7,400	7,900	7,900	7,900	5,200	7,900	5,200
Total plant	24,500	41,000	55,000	41,000	17,000	41,000	24,000
Total, solar energy development	290,400	417,300	378,000	393,800	297,963	368,250	285,800
Capital Equipment							
Direct thermal application:							
Heating and cooling of buildings	1,700	2,000	2,000	2,000	2,200	2,000	2,200
Agricultural and process heat	0	0	0	0	0	0	0
Total, direct thermal application	1,700	2,000	2,000	2,000	2,200	2,000	2,200
Technology support and utilization	0	0	0	0	0	0	0
Solar electric applications:							
Solar thermal	0	3,000	3,000	3,000	1,500	3,000	1,500
Photovoltaics	4,600	300	300	300	150	300	150
Wind	1,100	1,400	1,400	1,400	700	1,400	700
Ocean thermal	0	700	700	700	350	700	350
Satellite solar power systems	0	0	0	0	0	0	0
Total, solar electric applications	5,700	5,400	5,400	5,400	2,700	5,400	2,700
Fuels from biomass	0	500	500	500	300	500	300
Total, capital equipment	7,400	7,900	7,900	7,900	5,200	7,900	5,200
Plant							
Solar electric applications:							
Solar thermal:							
76-2-b—10-megawatt central receiver solar thermal powerplant, Barstow, Calif. (A-E and long-lead procurement)	2,500	41,000	55,000	41,000	17,000	41,000	17,000
Prior-year projects	22,000	0	0	0	0	0	7,000
Total, plant	24,500	41,000	55,000	41,000	17,000	41,000	24,000
GEOTHERMAL ENERGY DEVELOPMENT							
Operating Expenses							
Engineering research and development	13,500	15,500	17,100	15,500	13,600	15,500	13,600
Resource exploration and assessment	9,000	17,600	17,600	17,600	15,800	17,600	15,800
Hydrothermal technology applications	14,000	24,900	32,000	28,000	22,025	28,000	22,025

U.S. ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION FISCAL YEAR 1978 CONGRESSIONAL ACTION TABLE—Continued

[In thousands]

	Fiscal year 1977 appropriation	Fiscal year 1978 House authorization	Fiscal year 1978 Senate authorization	S. 1340 authorization	Related budget outlays	Fiscal year 1978 appropriations	
						Budget authority	Budget outlay
GEOTHERMAL ENERGY DEVELOPMENT—Continued							
Operating Expenses—Continued							
Advanced technology applications	11,900	24,800	23,500	24,300	19,050	22,500	17,700
Utilization experiments	0	18,000	16,000	16,000	4,300	12,000	3,500
Environmental control and institutional studies	4,800	8,100	8,100	8,100	7,100	8,100	7,100
Low-head hydroelectric program	0	15,000	15,000	15,000	12,000	10,000	7,500
Total, operating expenses	53,200	123,900	129,300	124,500	93,875	113,700	87,225
Total, capital equipment	1,500	2,500	2,500	2,500	2,200	2,500	2,200
Total, geothermal energy development	54,700	126,400	131,800	127,000	96,075	116,200	89,425
Capital Equipment							
Engineering research and development	400	700	700	700	700	700	700
Resource exploration and assessment	300	500	500	500	400	500	400
Hydrothermal technology applications	400	700	700	700	600	700	600
Advanced technology applications	300	500	500	500	400	500	400
Utilization experiments	0	0	0	0	0	0	0
Environmental control and institutional studies	100	100	100	100	100	100	100
Low-head hydroelectric program	0	0	0	0	0	0	0
Total, capital equipment	1,500	2,500	2,500	2,500	2,200	2,500	2,200
CONSERVATION RESEARCH AND DEVELOPMENT							
Operating Expenses							
Electric energy systems and energy storage:							
Electric energy system	23,000	36,800	36,700	36,800	32,200	36,700	32,100
Energy storage	31,000	48,500	49,900	48,500	39,975	48,500	39,975
Total, electric energy systems and energy storage	54,000	85,300	86,600	85,300	72,175	85,200	72,075
End-use conservation and technologies to improve efficiency:							
Buildings	26,600	68,000	56,000	59,500	47,908	51,090	40,600
Industry	14,430	38,000	40,000	38,000	27,800	28,750	20,900
Transportation	27,170	111,000	88,000	99,500	77,225	64,400	50,900
Improved conversion efficiency	23,150	62,000	78,200	69,700	56,565	58,280	48,000
Total, end-use conservation and technologies to improve efficiency	91,350	279,000	262,200	266,700	209,498	206,250	164,400
Energy Extension Service	7,500	8,000	8,000	8,000	6,000	7,500	6,000
Small grants program	0	10,000	6,000	8,000	6,750	3,000	3,000
Municipal solid waste	0	200,000	0	20,000	15,000	4,000	4,000
Total, operating expenses	152,850	582,300	362,800	388,000	309,423	302,220	245,475
Total, capital equipment	8,000	9,170	6,170	8,670	5,218	6,170	3,970
Total, plant	0	800	800	[3] 800	200	800	200
Total, conservation research and development	160,850	592,270	369,770	397,470	314,841	309,190	249,645
Capital Equipment							
Electric energy systems and energy storage:							
Electric energy system	3,500	2,800	2,800	2,800	1,700	2,800	1,700
Energy storage	2,500	1,700	1,700	1,700	1,100	1,700	1,100
Total, electric energy systems and energy storage	6,000	4,500	4,500	4,500	2,800	4,500	2,800
End-use conservation and technologies to improve efficiency:							
Buildings	0	1,170	170	670	418	170	170
Industry	1,000	2,500	500	2,500	1,500	500	500
Transportation	500	500	500	500	100	500	100
Improved conversion efficiency	500	500	500	500	400	500	400
Total, end-use conservation and technologies to improve efficiency	2,000	4,670	1,670	4,170	2,418	1,670	1,170
Energy Extension Service	0	0	0	0	0	0	0
Small grants program	0	0	0	0	0	0	0
Municipal solid waste	0	0	0	0	0	0	0
Total, capital equipment	8,000	9,170	6,170	8,670	5,218	6,170	3,970
Plant							
Electric systems and energy storage:							
Electric energy systems:							
78-1-a—High-bay addition, Los Alamos, N. Mex	0	800	800	800	200	800	200
Total, plant	0	800	800	800	200	800	200
ENVIRONMENT AND SAFETY RESEARCH AND DEVELOPMENT							
Operating Expenses							
Overview and assessment	37,148	51,910	43,010	50,010	43,881	48,010	43,381
Environmental research	131,606	143,970	[6] 143,970	143,970	137,819	143,970	137,069
Life sciences research	43,484	38,113	38,113	38,113	36,854	38,113	36,854
Decontamination and decommissioning	9,516	19,000	17,000	19,000	17,000	18,000	16,000
Total, operating expenses	221,754	252,993	242,093	251,093	235,554	248,093	232,304
Total capital equipment	13,753	19,025	19,025	19,025	15,870	19,025	15,870
Total plant	3,200	6,000	6,000	[7] 6,000	1,200	5,000	9,148
Total, Environment and Safety Research and Development	238,707	278,018	267,118	276,118	252,624	272,118	257,322
Capital Equipment							
Overview and assessment	1,782	3,400	3,400	3,400	2,445	3,400	2,445
Environmental research	10,931	14,425	14,425	14,425	12,341	14,425	12,341
Life sciences research	900	1,000	1,000	1,000	884	1,000	884
Decontamination and decommissioning	140	200	200	200	200	200	200
Total. capital equipment	13,753	19,025	19,025	19,025	15,870	19,025	15,870

Footnotes at end of table.

	Fiscal year 1977 appropriation	Fiscal year 1978 House authorization	Fiscal year 1978 Senate authorization	S. 1340 authorization	Related budget outlays	Fiscal year 1978 appropriations: Budget authority	Fiscal year 1978 appropriations: Budget outlays
ENVIRONMENT AND SAFETY RESEARCH AND DEVELOPMENT—Continued							
Plant							
Environmental research:							
78-9-a—Modifications and additions to biomedical and environmental research facilities, various locations	0	6,000	6,000	6,000	1,200	5,000	1,000
Prior-year projects	3,200	0	0	0	0	0	8,148
Total, environmental research	3,200	6,000	6,000	6,000	1,200	5,000	9,148
Total, plant	3,200	6,000	6,000	6,000	1,200	5,000	9,148
MAGNETIC FUSION							
Total operating expenses	195,000	207,900	199,900	207,900	196,200	203,900	193,200
Total capital equipment	23,000	27,600	27,600	27,600	17,165	27,600	17,165
Total plant	96,900	132,600	121,400	[8] 135,800	73,480	92,500	68,435
Total, magnetic fusion	314,900	368,100	348,900	371,300	286,845	324,000	27,800
Capital Equipment							
Magnetic fusion	23,200	27,600	27,600	27,600	17,165	27,600	17,165
Plant							
Magnetic fusion:							
78-3-a—Mirror fusion test facility, Lawrence Livermore Laboratory, Calif	0	94,200	94,200	94,200	3,000	14,000	3,000
78-3-b—Fusion materials irradiation test facility, Hanford Engineering Development Laboratory, Wash	0	14,400	0	14,400	2,880	7,500	1,500
76-5-a—Tokamak fusion test reactor, Princeton Plasma Physics Laboratory, Plainsboro, N.J	75,400	24,000	24,000	24,000	59,000	71,000	59,000
76-5-b—14 Mev intense neutron source facility, Los Alamos Scientific Laboratory, Los Alamos, N. Mex	14,000	0	3,200	3,200	8,600	0	0
Prior-Year Projects	7,500	0	0	0	0	0	4,935
Total, plant	96,900	132,600	121,400	135,800	73,480	92,500	68,435
FUEL CYCLE RESEARCH AND DEVELOPMENT							
Operating Expenses							
Uranium resource assessment	31,335	59,485	67,485	67,485	57,300	59,495	51,300
Support of nuclear fuel cycle:							
LWR fuel reprocessing	33,900	35,100	34,000	24,000	18,000	0	0
HTGR fuel cycle R. & D	10,600	12,100	12,100	12,100	12,000	12,100	12,000
Breeder reactor fuel cycle R. & D	10,200	30,300	30,300	30,300	27,700	30,300	27,700
Alternate concepts	0	32,000	32,000	32,000	27,000	32,000	27,000
Thorium fuel recycle	0	18,000	8,000	18,000	13,500	18,000	13,500
Total, support of nuclear fuel cycle	54,700	127,500	116,400	116,400	98,200	92,400	80,200
Waste management (commercial)	82,500	165,000	154,000	160,000	118,300	158,500	117,175
Total, operating expenses	168,535	351,985	337,885	343,885	273,800	310,395	248,675
Total capital equipment	14,000	23,300	25,300	25,300	15,650	25,300	15,650
Total plant	0	16,500	13,000	[9] 16,500	3,300	13,000	2,978
Total, fuel cycle research and development	182,535	391,785	376,185	385,685	292,750	348,685	267,303
Capital Equipment							
Uranium resource assessment	4,500	4,800	4,800	4,800	2,900	4,800	2,900
Support of nuclear fuel cycle:							
LWR fuel reprocessing	0	0	0	0	0	0	0
HTGR fuel cycle R. & D	1,450	990	1,000	1,000	995	1,000	995
Breeder reactor fuel cycle R. & D	900	3,000	3,000	3,000	1,900	3,000	1,900
Alternate concepts	1,950	3,000	3,000	3,000	2,000	3,000	2,000
Thorium fuel recycle	0	10	2,000	2,000	1,005	2,000	1,005
Total, support of nuclear fuel cycle	4,300	7,000	9,000	9,000	5,900	9,000	5,900
Waste management (commercial)	5,200	11,500	11,500	11,500	6,850	11,500	6,850
Total, fuel cycle research and development	14,000	23,300	25,300	25,300	15,650	25,300	15,650
Plant							
Fuel cycle R. & D.:							
Support of nuclear fuel cycle (LMFBR fuel reprocessing R. & D.):							
78-5-b—Advanced fuel recycle integrated equipment test facility, Oak Ridge National Laboratory, Oak Ridge, Tenn. (A-E and longlead procurement only)	0	3,000	3,000	3,000	600	3,000	600
Prior-year projects							378
78-5-c—Laser isotope facility, site undesignated (A-E only)	0	6,500	3,000	6,500	1,300	3,000	978
Total, LMFBR fuel reprocessing R. & D	0	3,500	0	3,500	700	0	0
Total, support of nuclear fuel cycle	0	6,500	3,000	6,500	1,300	3,000	978
Waste Management (Commercial): 78-5-a—Facilities for the national waste terminal storage program, site undetermined (land acquisition, A-E and long-lead procurement) total	0	10,000	10,000	10,000	2,000	10,000	2,000
Total, plant	0	16,500	13,000	16,500	3,300	13,000	2,978
LIQUID METAL FAST BREEDER REACTOR							
Operating Expenses							
Clinch River breeder reactor	237,600	150,000	75,000	([10])	([10])	([10])	([10])
LMFBR base program	304,283	333,300	333,300	333,300	304,400	304,200	300,100
Total, operating expenses	541,883	483,300	408,300	333,300	304,400	304,200	300,100
Total capital equipment	44,938	35,650	35,650	35,650	48,460	29,950	43,160
Total plant	783,950	213,335	208,335	[10] 208,335	20,450	105,385	80,440
Total, liquid metal fast breeder reactor	670,771	732,285	652,285	577,285	373,310	439,535	423,700
Capital Equipment							
Clinch River breeder reactor	0	0	0	0	0	0	0
LMFBR base program	44,938	35,650	35,650	35,650	48,460	29,950	43,160
Total, capital equipment	44,938	35,650	35,650	35,650	48,460	29,950	43,160

U.S. ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION FISCAL YEAR 1978 CONGRESSIONAL ACTION TABLE—Continued

[In thousands]

	Fiscal year 1977 appropriation	Fiscal year 1978 House authorization	Fiscal year 1978 Senate authorization	S. 1340 authorization	Related budget outlays	Fiscal year 1978 appropriations	
						Budget authority	Budget outlays
LIQUID METAL FAST BREEDER REACTOR—Continued							
Plant							
Breeder reactor:							
LMFBR base program:							
78-6-a—Modifications to reactors	0	8,700	8,700	8,700	1,700	8,700	1,700
78-6-b—Safeguards and security upgrading, Idaho Falls, Idaho and Chicago, Ill	0	4,935	4,935	4,935	1,000	4,935	1,000
78-6-c—Safety research experimental facility, Idaho National Engineering Laboratory, Idaho (A-E only)	0	20,100	20,100	20,100	3,800	14,050	1,300
78-6-d—Experimental breeder reactor II modification, Idaho National Engineering Laboratory, Idaho (A-E only)	0	3,100	3,100	3,100	750	1,500	550
78-6-e—Modifications to facilities Liquid Metal Engineering Center, Santa Susanna, Calif. (A-E only)	0	9,000	4,000	4,000	1,000	1,600	500
78-6-f—Fuels and materials examination facility, Hanford Engineering Development Laboratory, Washington	0	134,800	134,800	134,800	3,500	5,200	1,000
78-7-a—Modifications to utility system 300 area, Hanford Engineering Development Laboratory Washington	0	3,600	3,600	3,600	500	2,700	500
78-7-b—Test reactor area steam distribution system upgrade, Idaho National Engineering Laboratory Idaho	0	1,100	1,100	1,100	100	500	100
77-4-c—High-performance fuel laboratory, Richland, Wash. (A-E only)	1,500	5,000	5,000	5,000	3,700	5,000	3,700
77-4-d—Fuel storage facility, Richland, Wash	1,500	23,000	23,000	23,000	4,400	16,200	4,400
67-3-a—Fast flux test facility						45,000	47,421
Prior-year projects	80,950	0	0	0	0	0	18,269
Total, breeder reactor base program	83,950	213,335	208,335	208,335	20,450	105,385	80,440
Total, plant	83,950	213,335	208,335	208,335	20,450	105,385	80,440
NUCLEAR RESEARCH AND APPLICATIONS							
Operating Expenses							
Water cooled breeder reactor	37,000	38,500	38,500	38,500	37,600	38,500	37,600
Gas cooled thermal reactor	15,900	31,000	16,000	31,000	26,500	31,000	26,500
Gas cooled fast breeder reactor	12,800	14,670	14,670	14,670	12,800	14,670	12,800
Light water reactor technology	12,500	13,000	31,200	31,200	26,100	18,800	16,800
Technology development and special projects	11,322	14,842	14,842	14,452	13,478	14,842	13,478
Space applications	20,555	31,700	0	31,700	26,500	31,000	25,975
Advanced isotope separation technology	40,230	43,617	43,617	43,617	40,000	43,617	40,000
Nuclear energy assessments	7,687	23,300	23,100	23,300	18,750	23,100	18,600
Total, operating expenses	157,994	210,629	181,929	228,829	201,728	215,529	191,753
Total capital equipment	14,264	18,595	15,195	18,595	17,180	18,595	17,180
Total plant	9,500	0	0	0	0	0	3,400
Total, nuclear research and applications	181,758	229,224	197,124	247,424	218,908	234,124	212,333
Capital Equipment							
Water cooled breeder reactor	2,350	3,100	3,100	3,100	2,600	3,100	2,600
Gas cooled thermal reactor	549	1,000	1,000	1,000	800	1,000	800
Gas cooled fast breeder reactor	800	1,330	1,330	1,330	1,200	1,330	1,200
Light water reactor technology	0	0	0	0	0	0	0
Technology development and special projects	1,545	1,280	1,280	1,280	1,180	1,280	1,180
Space applications	2,020	3,400	0	3,400	2,400	3,400	2,400
Advanced isotope separation technology	7,000	8,485	8,485	8,485	9,000	8,485	9,000
Nuclear energy assessments	0	0	0	0	0	0	0
Total, capital equipment	14,264	18,595	15,195	18,595	17,180	18,595	17,180
Plant							
Water cooled breeder reactor: Prior-year projects, total	9,500	0	0	0	0	0	3,400
Total, plant	9,500	0	0	0	0	0	3,400
LIGHT WATER REACTOR FACILITIES AND FUEL STORAGE							
Operating Expenses							
Light water reactor safety facilities	28,300	24,000	24,000	24,000	21,600	24,000	21,600
International spent fuel disposition	0	20,000	20,000	20,000	10,000	5,000	5,000
Total, operating expenses	28,300	44,000	44,000	44,000	31,600	29,000	6,600
Total, capital equipment	0	800	800	800	300	800	300
Total plant	0	3,000	3,000	[11] 3,000	700	3,000	700
Total, light water reactor facilities and fuel strorage	28,300	47,800	47,800	47,800	32,600	32,800	27,600
Capital Equipment							
Light water reactor safety facilities	0	800	800	800	800	800	300
International spent fuel disposition	0	0	0	0	0	0	0
Total capital equipment	0	800	800	800	300	800	300
Light water reactor safety facilities:							
78-8-a—Upgrade test area north hot shop facility, Idaho National Engineering Laboratory, Idaho	0	3,000	3,000	3,000	700	3,000	700
Total light water reactor safety facilities	0	3,000	3,000	3,000	700	3,000	700
Total, plant	0	3,000	3,000	3,000	700	3,000	700
HIGH ENERGY PHYSICS							
Total operatng expenses	170,000	189,450	187,950	188,950	186,300	187,950	185,550
Total capital equipment	21,800	43,500	42,000	42,500	25,475	42,000	25,100
Total plant	28,600	16,700	6,200	[12] 16,700	3,400	40,600	26,987
Total, high energy physics	220,700	249,650	236,150	248,150	215,175	270,550	237,637
Capital Equipment							
High-energy physics	20,400	41,000	39,500	40,000	32,854	39,500	23,479
Other capital equipment	1,400	2,500	2,500	2,500	1,621	2,500	1,621
Total, capital equipment	21,800	43,500	42,000	42,500	25,475	42,000	25,100

Footnotes at end of table.

	Fiscal year 1977 appropriation	Fiscal year 1978 House authorization	Fiscal year 1978 Senate authorization	S. 1340 authorization	Related budget outlays	Fiscal year 1978 appropriations: Budget authority	Fiscal year 1978 appropriations: Budget outlays
HIGH ENERGY PHYSICS—Continued							
Plant							
78-10-a—Accelerator improvements and modifications, various locations	0	4,500	4,500	4,500	1,000	4,500	1,000
78-10-b—Intersecting storage accelerator, Brookhaven National Laboratory, New York	0	10,500	0	10,500	2,000	5,000	1,000
78-11-a—Master substation reliability and capacity improvements, Stanford Linear Accelerator Center, California	0	1,700	1,700	1,700	400	1,700	400
Positron-electron: Joint project, Lawrence Berkeley Laboratory and Stanford Linear Accelerator Center						29,400	20,000
Prior-year projects	28,600	0	0	0	0	0	4,587
Total, plant	28,600	16,700	6,200	16,700	3,400	40,600	26,987
NUCLEAR PHYSICS							
Total operating expenses	64,918	68,444	74,444	74,444	70,340	68,444	65,840
Total operating equipment	5,334	6,725	6,725	6,725	6,133	6,725	6,133
Total plant	6,200	7,900	7,900	[13] 7,900	1,600	1,900	10,387
Total, nuclear physics	76,452	83,069	89,069	89,069	78,073	77,069	82,360
Capital Equipment							
Nuclear physics	4,834	5,525	5,525	5,525	5,100	5,525	5,100
Other capital equipment	500	1,200	1,200	1,200	1,033	1,200	1,033
Total, capital equipment	5,334	6,725	6,725	6,725	6,133	6,725	6,133
Plant							
78-12-a—Accelerator and reactor improvements and modifications, various locations	0	1,900	1,900	1,900	400	1,900	400
78-12-b—High-intensity uranium beams, Lawrence Berkeley Laboratory, California	0	6,000	6,000	6,000	1,200	0	0
Prior-year projects	6,200	0	0	0	0	0	9,987
Total, plant	6,200	7,900	7,900	7,900	1,600	1,900	10,387
BASIC ENERGY SCIENCES							
Operating Expenses							
Nuclear Sciences	25,022	26,467	25,667	25,787	24,753	26,063	24,960
Material Sciences	56,516	66,006	62,406	64,026	59,662	64,010	59,650
Molecular Mathematical and Geosciences	47,396	57,700	55,800	57,000	53,182	56,740	52,987
Advanced Energy Programs	0	3,187	3,187	3,187	3,000	3,187	3,000
Total, operating expenses	128,934	153,360	147,060	150,000	140,597	150,000	140,597
Total capital equipment	11,066	12,075	12,075	12,075	11,167	12,075	11,167
Total plant	12,800	33,400	33,400	[14] 33,400	2,000	13,000	11,967
Total, basic energy sciences	152,800	198,835	192,535	195,475	153,764	175,075	163.731
Capital Equipment							
Nuclear science	866	1,075	1,075	1,075	1,150	1,075	1,150
Material sciences	5,100	5,400	5,400	5,400	5,050	5,400	5,050
Molecular mathematical and geosciences	3,300	3,600	3,600	3,600	2,800	3,600	2,800
Advanced energy programs	0	0	0	0	0	0	0
Other capital equipment	1,800	2,000	2,000	2,000	2,167	2,000	2,167
Total, capital equipment	11,066	12,075	12,075	12,075	11,167	12,075	11,167
Plant							
Nuclear science:							
Prior-year projects	2,500	0	0	0	0	0	3,500
Total, nuclear science	2,500	0	0	0	0	0	3,500
Materials science:							
78-13-a—National synchrotron light source, Brookhaven National Laboratory, New York	0	24,000	24,000	24,000	1,000	5,000	1,000
77-8-d Conventional steam plant facilities ORNL, Tennessee						2,000	4,300
Prior-year projects	10,300	0	0	0	0	0	2,167
Total, materials sciences	10,300	24,000	24,000	24,000	1,000	7,000	7,467
Molecular mathematical and geosciences:							
78-13-b—Combustion research facility, Sandia Laboratories, Livermore, Calif	0	9,400	9,400	9,400	1,000	6,000	1,000
Total molecular mathematical and geosciences	0	9,400	9,400	9,400	1,000	6,000	1,000
Total, plant	12,800	33,400	33,400	33,400	2,000	13,000	11,967
NUCLEAR MATERIALS SECURITY AND SAFEGUARDS							
Total operating expenses	27,420	37,906	40,106	40,106	35,150	37,906	33,500
Total capital equipment	3,932	2,794	2,794	2,794	3,000	2,794	3,000
Total plant	0	0	0	0	0	0	195
Total, nuclear materials security and safeguards	31,352	40,700	42,900	42,900	38,150	40,700	36,695
Capital equipment	3,932	2,794	2,794	2,794	3,000	2,794	3,000
Plant: Prior-year projects	0	0	0	0	0	0	195
Total, plant	0	0	0	0	0	0	195
URANIUM ENRICHMENT ACTIVITIES							
Operating Expenses							
U^{235} production	799,566	899,145	895,445	895,445	888,050	859,245	860,900
Process development	68,150	85,650	77,400	77,400	68,300	77,400	68,300
All other U^{235}	20,629	14,840	17,740	16,340	17,300	23,940	23,000
Total operating expenses	888,345	999,635	990,585	989,185	973,650	960,585	952,200
Total capital equipment	17,000	19,000	19,000	19,000	16,000	19,000	16,000
Total plant	664,475	376,350	303,980	[15] 303,980	361,750	443,050	401,052
Total, uranium enrichment activities	1,569,820	1,394,985	1,313,565	1,312,165	1,351,400	1,422,635	1,369,252

U.S. ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION FISCAL YEAR 1978 CONGRESSIONAL ACTION TABLE—Continued

[In thousands]

	Fiscal year 1977 appropriation	Fiscal year 1978 House authorization	Fiscal year 1978 Senate authorization	S. 1340 authorization	Related budget outlays	Fiscal year 1978 appropriations: Budget authority	Fiscal year 1978 appropriations: Budget outlays
URANIUM ENRICHMENT ACTIVITIES—Continued							
Capital Equipment							
U^{235} production	13,778	15,000	15,000	15,000	13,000	15,000	13,000
Process development	3,222	4,000	4,000	4,000	3,000	4,000	3,000
All other U^{235}	0	0	0	0	0	0	0
Total, capital equipment	17,000	19,000	19,000	19,000	16,000	19,000	16,000
Plant							
Uranium enrichment—U^{235} production:							
78-14-b—Process control modifications, gaseous diffusion plants, various locations	0	17,400	17,400	17,400	2,300	12,900	2,300
78-15-a—Water system improvements, gaseous diffusion plant, Kentucky	0	4,500	4,500	4,500	650	2,500	650
76-8-e—Conversion of existing steam plants to coal capability, gaseous diffusion plants and Feed Materials Production Center Fernalu, Ohio	5,300	1,750	1,750	1,750	6,000	2,950	6,000
76-8-g—Enriched uranium production facility, Portsmouth, Ohio	167,325	180,000	107,630	107,630	82,000	15,000	67,000
74-1-g—Cascade uprating program, gaseous diffusion plants	161,000	42,700	42,700	42,700	108,000	63,900	108,000
74-1-f—Process equipment modifications, gaseous diffusion plants	267,800	100,000	100,000	100,000	160,000	143,800	16,000
77-9-a—Expansion of feed vaporizing sampling facility, gaseous diffusion plants, multiple sites						18,000	8,700
Prior-year projects	38,050	0	0	0	0	0	20,256
Total, U^{235} production	639,475	346,350	273,980	273,980	358,950	394,050	372,906
Uranium enrichment—Process development:							
78-14-a—Centrifuge facilities modifications, various locations	0	30,000	30,000	30,000	2,800	14,000	2,800
77-9-d—Centrifuge plant demo, facility Oak Ridge, Tenn						35,000	20,000
Prior-year projects	25,000	0	0	0	0	0	5,346
Total, process development	25,000	30,000	30,000	30,000	2,800	49,000	28,146
Total, plant	664,475	376,350	308,980	303,980	361,750	443,050	401,052
PROGRAM MANAGEMENT AND SUPPORT							
Operating Expenses							
Program direction	218,760	220,535	263,700	282,900	222,900	254,100	254,100
Institutional relations	26,451	33,368	[17] 34,179	34,179	34,100	28,379	28,779
Supporting activities	35,469	37,460	37,460	37,460	36,494	33,360	33,044
International cooperation	0	0	5,000	5,000	4,000	3,500	2,600
Cost of work for others	20,100	18,265	18,265	18,265	18,255	18,265	18,255
Total, operating expenses	300,780	[16] 309,628	358,604	[16] 317,804	315,749	337,604	336,778
Total capital equipment	5,440	4,955	4,955	4,955	4,955	4,105	4,105
Total plant	0	11,530	11,530	[18] 11,530	1,780	6,730	6,936
Total, program management and support	306,220	326,113	375,089	334,289	322,484	348,439	347,819
Operating Expenses							
Changes in inventories, working capital and other adjustments	81,885	126,300	126,300	126,300	92,082	111,300	77,082
Transfer to Council on Environmental Quality	500	500	500	500	0	500	0
General reduction in operating expenses	−89,578	0	0	0	0	0	0
Capital Equipment							
Program direction	4,325	4,000	4,000	4,000	4,000	3,150	3,150
Institutional relations	790	755	755	755	755	755	755
Supporting activities	325	200	200	200	200	200	200
International cooperation	0	0	0	0	0	0	0
Total, capital equipment	5,440	4,955	4,955	4,955	4,955	4,105	4,105
Total	192,307	239,089	233,189	239,589	197,473	220,039	189,700
Plant							
Supporting activities:							
78-1-b—Chiller modifications for energy conservation, Bendix Plant, Kansas City, Mo	0	830	830	830	80	830	80
78-1-c—Process waste heat utilization, gaseous diffusion plant, Paducah, Ky	0	5,700	5,700	5,700	700	900	700
Prior-year projects	0	0	0	0	0	0	5,156
78-19-a—Program support facility, Argonne National Laboratory, Illinois (A-E and long-lead procurement only)	0	5,000	5,000	5,000	1,000	5,000	1,000
Total, supporting activities	0	11,530	11,530	11,530	1,780	6,730	6,936
Total, plant	0	11,530	11,530	11,530	1,780	6,730	6,936
PLANT—OTHER							
General plant projects	40,800	44,265	44,265	44,265	9,338	42,665	8,995
Construction planning and design	7,200	10,000	10,000	10,000	2,000	9,000	1,800
Total plant	1,037,325	1,150,730	1,175,160	1,051,560	535,598	901,430	691,920
Summary totals							
Operating expenses	3,774,145	5,166,430	4,759,656	4,790,296	4,282,261	4,431,773	4,079,086
Capital equipment	192,307	239,089	233,189	239,589	197,473	230,039	189,700
Plant	1,037,325	1,155,730	1,175,160	1,051,560	535,598	901,430	691,920
Working capital adjustment						0	−52,016
Unobligated balance brought forward						−64,300	0
Unobligated balance carried forward						−65,500	0
Total, ERDA authorization	5,003,917	6,561,249	6,172,005	6,081,445	5,015,332	5,433,442	4,908,690
Less:							
Anticipated enrichment revenues	−660,000	−845,820	−845,820	−845,820	−845,820	−965,820	−965,820
Anticipated miscellaneous revenues	−77,900	−100,720	−100,720	−100,720	−100,720	−100,720	−100,720
Total	4,266,017	5,614,709	5,225,465	5,134,905	4,068,792	4,366,902	3,842,150

[1] This authorization for plant represents $114,800,000 in related budget authority. The authorized amounts for operating expenses and capital equipment also represent related budget authority.

[2] In H.R. 6796 project title does not include "A-E and long-lead procurement only."

[3] S-1811 shows $12,000,000 for technology support and utilization. $3,000,000 of this has been incorporated in institutional relations—University programs.

[4] This authorization for plant represents $41,000,000 in related budget authority. The authorized amounts for operating expenses and capital equipment also represent related budget authority.

[5] This authorization for plant represents $800,000 in related budget authority. The authorized amounts for operating expenses and capital equipment also represent related budget authority

Footnotes continued on following page.

[6] Included in this amount is $1,000,000 for the Water Resources Council.

[7] This authorization for plant represents $6,000,000 in related budget authority. The authorized amounts for operating expenses and capital equipment also represent related budget authority.

[8] This authorization for plant represents $110,300,000 in related budget authority. The authorized amounts for operating expenses and capital equipment also represent related budget authority.

[9] This authorization for plant represents $16,500,000 in related budget authority. The authorized amounts for operating expenses and capital equipment also represent related budget authority.

[10] This authorization for plant represents $75,535,000 in related budget authority. The authorized amounts for operating expenses and capital equipment also represent related budget authority.

[11] This authorization for plant represents $3,000,000 in related budget authority. The authorized amounts for operating expenses and capital equipment also represent related budget authority.

[12] This authorization for plant represents $16,700,000 in related budget authority. The authorized amounts for operating expenses and capital equipment also represent related budget authority.

[13] This authorization for plant represents $7,500,000 in related budget authority. The authorized amounts for operating expenses and capital equipment also represent related budget authority.

[14] This authorization for plant represents $11,000,000 in related budget authority. The authorized amounts for operating expenses and captial equipment also represent related budget authority.

[15] This authorization for plant represents $420,050,000 in related budget authority. The authorized amounts for operating expenses and capital equipment also represent related budget authority.

[16] Included in this amount is $1,000,000 for the Water Resources Council.

[17] Includes $3,000,000 that is part of the S-1811 amount of $12,000,000 for technology support and utilization under solar energy development. It was agreed that this $3,000,000 should be incorporated in institutional relations—University programs.

[18] This authorization for plant represents $6,730,000 in related budget authority. The authorized amounts for operating expenses and capital equipment also represents related budget authority.

[19] CRBR was authorized in Public Law 91-273, Sec. 106, as amended. Appropriations for fiscal year 1978 are contained in H.R. 9375.

COMPARISON BETWEEN HOUSE AND SENATE AUTHORIZATION PROGRAM STRUCTURE FOR NUCLEAR PROGRAMS

[In thousands of dollars]

House structure	Fiscal year 1978 House authorization	Related Senate structure	Fiscal year 1978 Senate authorization	S. 1340 authorization
NUCLEAR PROGRAMS		NUCLEAR PROGRAMS—Continued		
Light water reactors:		Nuclear research and applications:		
1. Advanced isotope separation technology	$43,617	1. Advanced isotope separation technology	$43,617	$43,617
2. Light water reactor technology	13,000	2. Light water reactor technology	31,200	31,200
3. Technology development and special projects	14,842	3. Technology development and special projects	14,842	14,842
		Light water reactor safety facilities and fuel storage:		
4. Light water reactor safety facilities	24,000	4. Light water reactor safety facilities	24,000	24,000
		Uranium enrichment activities:		
5. Process development (U^{235})	85,650	5. Process development	77,400	77,400
		Fuel cycle research and development:		
6. Uranium resource assessment	59,485	6. Uranium resource assessment	67,485	67,485
7. LWR fuel reprocessing	35,100	7. LWR fuel reprocessing	34,000	24,000
		Nuclear materials security and safeguards:		
8. Nuclear materials security and safeguards	37,906	8. Nuclear materials security and safeguards	40,106	40,106
Total, light water reactors	313,600	Total	332,650	322,650
Waste management:		Fuel cycle research and development:		
9. Waste management (commercial)	165,000	9. Waste management (commercial)	154,000	160,000
		Light water reactor facilities and fuel storage:		
10. International spent fuel dispostiion	20,000	10. International spent fuel disposition	20,000	20,000
Total, waste management	185,000	Total	174,000	180,000
Liquid metal fast breeder reactor:		Liquid metal fast breeder reactor:		
11. LMFBR base program	333,300	11. LMFBR base program	333,300	333,300
12. Clinch River breeder reactor	150,000	12. Clinch River breeder reactor	75,000	[1]0
Total, breeder reactor	483,300	Total	408,300	333,300
Other advanced reactor concepts:		Nuclear research and applications:		
13. Water cooled breeder reactor	38,500	13. Water cooled breeder reactor	38,500	38,500
14. Gas cooled thermal reactor	31,000	14. Gas cooled thermal reactor	16,000	31,000
15. Gas cooled fast breeder reactor	14,670	15. Gas cooled fast breeder reactor	14,670	14,670
Total, other advanced reactor concepts	84,170	Total	69,170	84,170
Advanced fuel cycle concepts:		Fuel cycle R. & D.:		
16. HTGR fuel cycle R. & D	12,100	16. HTGR fuel cycle R. & D	12,100	12,100
17. Breeder reactor fuel reprocessing R. & D	30,300	17. Breeder reactor fuel reprocessing R. & D	30,300	30,300
18. Thorium fuel	18,000	18. Thorium fuel	8,000	18,000
19. Alternate fuel cycle	32,000	19. Alternate concepts	32,000	32,000
Total, advanced fuel cycle concepts	92,400	Total	82,400	92,400
		Nuclear research and applications:		
20. Nuclear energy assessments	23,300	20. Nuclear energy assessments	23,100	23,300
Uranium enrichment:		Uranium enrichment activities:		
21. U^{235} production	899,145	21. U^{235} production	895,455	895,445
22. All other U^{235}	14,840	22. All other U^{235}	17,740	16,340
Total, uranium enrichment	913,985	Total	913,185	911,785
		Magnetic fusion:		
23. Magnetic fusion	207,900	23. Magnetic fusion	199,900	207,900
Total, operating expenses	2,303,655	Total, operating expenses	2,202,705	2,155,505
Total, capital equipment	124,339	Total, capital equipment	126,339	126,339
Total, plant	741,785	Total, plant	649,715	667,615
Total, nuclear porgrams	3,169,779	Total	2,978,759	2,949,459
Capital Equipment		Capital Equipment		
Light water reactors:		Nuclear research and applications:		
1. Advanced isotope separation technology	8,485	1. Advanced isotope separation technology	8,485	8,485
2. Light water reactor technology	0	2. Light water reactor technology	0	0
3. Technology development and special projects	1,280	3. Technology development and special projects	1,280	1,280
		Light water reactor safety facilities and fuel storage:		
4. Light water reactor safety facilities	800	4. Light water reactor safety facilities	800	800
		Uranium enrichment activities:		
5. Process development (U^{235})	4,000	5. Process development	4,000	4,000
		Fuel cycle research and development:		
6. Uranium resource assessment	4,800	6. Uranium resource assessment	4,800	4,800
7. LWR fuel reprocessing	0	7. LWR fuel reprocessing	0	0
		Nuclear materials security and safeguards:		
8. Nuclear materials security and safeguards	2,794	8. Nuclear materials security and safeguards	2,794	2,794
Total, light water reactors	22,159	Total	22,159	22,159
Waste management:		Fuel cycle research and development:		
9. Waste management (commercial)	11,500	9. Waste management (commercial)	11,500	11,500
		Light water reactor facilities and fuel storage:		
10. International spent fuel disposition	0	10. International spent fuel disposition	0	0
Total, waste management	11,500	Total	11,500	11,500

House structure	Fiscal year 1978 House authorization	Related Senate structure	Fiscal year 1978 Senate authorization	S. 1340 authorization
NUCLEAR PROGRAMS—Continued		NUCLEAR PROGRAMS—Continued		
Plant		Plant		
Uranium enrichment:		Uranium enrichment:		
6. U^{235} production:		6. U^{235} production:		
78-14-b—Process control modifications, gaseous diffusion plants, various locations.	17,400	78-14-b—Process control modifications, gaseous diffusion plants, various locations.	17,400	17,400
78-15-a—Water system improvements, gaseous diffusion plant, Kentucky.	4,500	78-15-a—Water system improvements, gaseous diffusion plant, Kentucky.	4,500	4,500
76-8-e—Conversion of existing steam plants to coal capability, gaseous diffusion plants and Feed Materials Production Center, Fernald, Ohio.	1,750	76-8-e—Conversion of existing steam plants to coal capability, gaseous diffusion plants and Feed Materials Production Center, Fernald, Ohio.	1,750	1,750
76-8-g—Enriched uranium production facility, Portsmouth, Ohio.	180,000	76-8-g—Enriched uranium production facility, Portsmouth, Ohio.	107,630	107,630
74-1-g—Cascade uprating program, gaseous diffusion plants	42,700	74-1-g—Cascade uprating program, gaseous diffusion plants	42,700	42,700
71-1-f—Process equipment modifications, gaseous diffusion plants.	100,000	71-1-f—Process equipment modifications, gaseous diffusion plants.	100,000	100,000
Total, U^{235} production	346,350	Total, U^{235} production	273,980	273,980
Total, uranium enrichment	346,350	Total, uranium enrichment	273,980	273,980
7. Magnetic fusion:		7. Magnetic fusion:		
78-3-a—Mirrior fusion test facility, Lawrence Livermore Laboratory, California.	94,200	78-3-a—Mirror fusion test facility, Lawrence Livermore Laboratory, California.	94,200	94,200
78-3-b—Fusion materials irradiated test facility, Hanford Engineering Development Laboratory, Washington.	14,400	78-3-b—Fusion materials irradiation test facility, Hanford Engineering Development Laboratory, Washington.	0	14,400
76-5-a—Tokamak fusion test reactor, Princeton Plasma Physics Laboratory, Plainsboro, N.J.	24,000	76-5-a—Tokamak fusion test reactor, Princeton Plasma Physics Laboratory, Plainsboro, N.J.	24,000	24,000
76-5-b—14 Mev intense neutron source facility, Los Alamos Scientific Laboratory, Los Alamos, N. Mex.	0	76-5-b—14 Mev intense neutron source facility, Los Alamos Scientific Laboratory, Los Alamos, N. Mex.	3,200	3,200
Total, magnetic fusion	132,600	Total, magnetic fusion	121,400	135,800
Total, nuclear programs	741,785	Total, nuclear programs	649,715	667,615

[1] See footnote 19 on p. 38761.

EXPLANATION OF SIGNIFICANT NUMBER CHANGES

Nonnuclear energy

High Btu Coal Gasification Test Facility

The conferees agreed to add $10 million in operating funds for a feasibility study for a high Btu coal gasification test facility. The House receded to the Senate and no construction funds are authorized for the facility in fiscal year 1978. The high Btu coal gasification test facility would demonstrate and evaluate several second and third generation gasification technologies in a single installation.

A GOCO (Government owned, contractor operated) arrangement is proposed as a financing mechanism that will avoid the complications and time delays of the present cost sharing arrangement in the demonstration program. The test facility program is not intended to replace the present demonstration program. It does provide an option that ERDA has agreed is attractive. Dr. White has sent a letter to the House committee which affirms the value of such a facility and supports beginning design work.

The conferees view the test facility as expanding the options for demonstrating new gasification technologies at commercial size. The inclusion of this facility into the current fossil demonstration program indicates a dissatisfaction with the Administrator's execution of section 8 of the Federal Nonnuclear Energy Research and Development Act of 1974. This section authorizes the Administrator to "identify opportunities to accelerate the commercial applications of new energy technologies and provide assistance for participation in demonstration projects." Great latitude is allowed in this section as to the kind and degree of cooperative agreements with non-Federal entities which may be entered into. The rigid fifty-fifty cost-sharing arrangement of the fossil energy demonstration program limits the flexibility granted under section 8. The introduction of the high Btu test facility and the feasibility study is intended to open up possibilities which are precluded by the present financial arrangements.

The conferees wish to emphasize, by this action, that this authorization is not intended, in any way, to stop, delay or inhibit the presently constituted demonstration program. The actual purpose of the demonstration program has always been clear and that is to insure that second generation technologies are demonstrated at selected sites to provide that information necessary to make decisions about the commercial viability of such technologies. Therefore, the feasibility study for the test facility should include a discussion about the relative merits of pursuing the construction of the test facility and its impact, if any, on the present demonstration program.

Gasifiers in Industry

Forty million dollars was reauthorized from the Clean Boiler Fuel from coal demonstration plant for the "gasifiers in industry" program. These funds were placed in operating expenses for the low Btu gasification program. This permits greater flexibility and quicker action in execution of this near-term program. The program objective is to get gasifiers operating and producing gas during the next 3 years. This will demonstrate the economic viability of low and medium Btu gas as a substitute for natural gas and also prove its environmental acceptability. State of the art gasification technologies would be used. However, modern environmental control equipment must be added to the gasifiers and the use of caking coals needs to be demonstrated.

Direct Combustion

A total of $12 million was added to the direct combustion program to further emphasize the conferees strong commitment to this program which has potential near-term impact. Two million dollars will be used for the utilization of anthracite waste in fluidized bed combusters and $6 million will be used for the component testing and integration facility for atmospheric fluidized bed combustion at Morgantown, W. Va. Four million dollars was not in dispute among the conferees and will support coal-oil slurries which are critical for the conservation of oil, the usage of coal and reduction of the retrofit problems of current oil burners. The conferees felt that this program should be enhanced by allowing larger scale tests and the initiation of commercial application.

Oil Shale and In-Situ Coal Gasification Program

The in-situ coal gasification program has made significant progress within the last fiscal year. The conference addition of $8.0 million for this work is meant to advance the Linked Vertical Well method as well as the Packed Bed method.

The conferees also direct the ERDA to prepare a management plan for oil shale R&D to include possible or likely efforts for process development units and pilot plants utilizing above-ground and in-situ processes. The above-ground efforts have not been carefully devised and there does not appear to be logical steps of mining, retorting, hydrotreating and refining. The funds for this plan are included in the conference amount.

Advanced Research and Supporting Technology

The conferees agreed to add $10 million to the advanced research and supporting technology program. This increase is intended to augment the materials and exploratory research program carried out within this program.

The long term increase in coal and oil shale used to meet the energy needs of the country will require new and environmentally sound technologies be developed. This means that fundamental knowledge of coal, coal chemistry, geology, rock mechanics and materials must be increased. According to the scientific and engineering communities ERDA's fossil energy program has not stressed this work sufficiently in the past. The increase is intended to enable them to expand these efforts.

Flash Liquefaction

The House receded from its addition for the flash liquefaction process. The conferees wish to emphasize their interest in support for the flash liquefaction but understand that there are carryover funds in the liquefaction program that can be used in support of the construction of a process development unit.

Drilling, Exploration, and Offshore Technology

With respect to increased funding for drilling technology development, the conference committee deleted $1.6 million under geothermal resource development added by the Senate, while selecting a compromise figure of $7.6 million in the fossil energy area. This latter figure is $6 million above the Senate authorization, and $3 million below the House.

The committee wishes to make clear that this action is in no way intended to indicate

Congressional direction that fossil drilling technology be emphasized at the expense of its geothermal counterpart. The Committee recognizes that great similarities exist between the developmental needs in these two areas. Common problems such as coping with high temperature and corrosive environments, and common needs for improvements in directional drilling techniques, down-hole motor capability, and drill bit design and fabrication, insure that progress in one area will be of substantial benefit to the other.

Five million dollars will be used for the development of down hole electronics, severe service elastomers and steels and improved bit designs. In addition, testing and evaluation instrumentation is to be supported by the development of telemetry systems and better down hole motors. This new technology will have near term application and is not presently under development, because the drilling industry is small and does not have the capital resources to support sophisticated R&D programs. It is clear that in the past ERDA has made a considerable effort to insure that work in these two drilling technologies has been well-coordinated in order to minimize needless duplication and overlap. The Committee directs that of the additional funds authorized in this legislation at least $1.6 million should be used to emphasize problem areas common to both fossil energy and geothermal resource development, including subterranean melting research.

The addition also includes $1 million for an evaluation of the possible applications of zirconium hydride reactors as self-contained power systems for subsea oil recovery efforts.

Solvent Refined Coal (SRC) Demonstration Plant

The conferees action for this promising technology emphasizes both the SRC solids process, which has been the subject of extensive testing, and the SRC liquids process, which produces a desirable and versatile liquid product with some solids output, but is now in the early stages of large scale testing.

In May of 1977, the SRC pilot plant in Fort Lewis, Washington was adapted to operate in the SRC II mode. The conferees feel this test can provide the data needed for a realistic assessment and design of an SRC II plant. To take advantage of this information and to do the design work the conferees have provided $10 million in operating funds for fiscal year 1978.

In the case of the solid fuel SRC process, successful work has been concluded in several important areas including pilot scale process studies on seven different coals including high sulfur coals, a successful 3000 tons combustion test, and conceptual commercial designs sponsored both by EPRI and the Southern Company.

As a consequence, the conferees have agreed that $30 million be authorized for construction of an SRC solids demonstration plant to produce solid fuels. The conferees agree that this demonstration plant be constructed at the smallest commercial size module which can efficiently demonstrate the technology. Although commercialization is the ultimate goal, government involvement and expense are to be minimized. However, once the Secretary has selected a plant size, the conferees direct that the Department report to the appropriate committees in Congress on the cost considerations involved in the decision.

Geothermal Energy

The Conference Committee recommendation to the authorization for hydrothermal technology applications is $3.1 million above the House Bill. This increase is to be used to accelerate the pace of the Raft River Thermal Loop Experiment in Idaho. The Conferees feel that this experiment should be rapidly pursued because it utilizes moderate-temperature resources, which are more abundant than the high temperature hydrothermal resources.

The Conference recommends an increase of $11.9 million over the Administration request for Advanced Technology Applications. Of this figure, $2.1 million will go for hot dry rock resources, and $9.8 million for geopressured resources. The conferees encourage the ERDA to continue subterranean melting research. The House amendment to the Senate Bill includes an authorization of $6 million for Architect/Engineering design and long-lead procurement for construction of a second 50 MWe geothermal demonstration plant; the Senate bill includes $4 million. The Conferees understand that necessary project activities can be successfully initiated within the $4 million level and they have agreed to accept this figure as provided in the Senate bill. ERDA is hereby authorized to enter into a cost-share arrangement for the design, construction and operation of the 50 MWe geothermal energy demonstration plant.

Solar Energy

The Conferees feel that the Federal Government should take a stronger role in reducing the cost of solar photovoltaic cells. To do this the authorization for the photovoltaic program is increased by $19 million above the level provided in the Senate Bill. Of this, $12.2 million will be used for the purchase of photovoltaic cells to be utilized on Federal sites where their applications are shown to be life cycle cost effective; $800,000 is earmarked for market studies; the remaining funds will be utilized for technology development, particularly related to cost reducing production technologies.

The Conference recommendation for Ocean Thermal Energy Conversion is to increase funding by $10 million over the Administration request. This is a $9.8 million reduction from the House amendment of $19.8 million to the Senate Bill. The Conferees feel that the potential of Ocean Thermal Energy Conversion is substantial for the production of energy intensive products and wish to insure that ERDA begins work on a 5 MW OTEC Tropic Ocean Grazing Pilot Plant. At the same time, the Conferees wish to emphasize the importance of the ongoing base-line program by providing additional funds for this as well.

The Conferees accepted the House amendment funding level of $41 million for the construction of a 10 MWe Central Receiver Solar Thermal Pilot Plant in Barstow, California, and recommend that ERDA put this project back on schedule with no restriction as to the procurement of heliostats.

The Conference recommendation for solar heating and cooling of buildings is $2.5 million above the House Amendment to the Senate Bill. Of this, $2 million will go for research in retrofitting existing structures to utilize solar heating and cooling systems, and the remaining $500,000 is for support of the Solar Data Centers.

NUCLEAR ENERGY

NUCLEAR RESEARCH AND APPLICATIONS

Light water reactor technology

The Conferees adopted the Senate authorization figure for the LWR technology program which included $12.4 million for standardization of designs for light water reactors which is part of the President's draft proposal to streamline the LWR licensing process, but was not included in the budget amendment.

It is the opinion of the Conferees that ERDA should seek as much private cost-sharing as possible for this program, hopefully over time as high as 40%.

Gas-cooled thermal reactors

The Conferees adopted the House figure of $31 million, which is $15 million above the Senate figure and the Administration request, for a program to develop a more proliferation-proof fuel for the gas-cooled reactor in both the High Temperature Gas Reactor (HTGR) Steam Cycle and the Advanced HTR direct cycle concepts. The HTGR can use either a low-enriched uranium (LEU) fuel cycle, or a LEU-thorium fuel cycle in which the bred U-233 is denatured with a U-238. Both of these cycles are attractive from the safeguards viewpoint because of the low enrichment of the Uranium at all points in the fuel cycle, and because the small amounts of plutonium produced (less than ⅓ as much as found in LWR spent fuel) can be discarded as waste. The Advanced HTR Program on directly gas-cooled reactors is a cooperative one with the West Germans.

Laser isotope facility

The Conferees adopted the House inclusion of $3.5 million in funding for A-E work only on a laser isotope pilot facility project 78-5-c with the site undetermined. This rapidly advancing technology promises great reduction in operating expenses and capital plant costs for uranium enrichment facilities.

SUPPORT OF NUCLEAR FUEL CYCLE

Light water reactor fuel reprocessing

The Conferees agreed on $10 million authorization to fund design work on a full-scale nuclear waste solidification facility, a waste storage facility and to conduct systems integration activity. The Senate had authorized $20 million for this work; the item did not appear in the House bill. The Conferees also adopted the Senate funding of $13 million and provisions pertaining to activities to be performed at the Barnwell Nuclear Fuels Plant and funding of $1 million and provisions with an amendment pertaining to a study on future utilization of the Barnwell Nuclear Fuels Plant. The amendment further refined the objectives of the study.

The House amendment to the Senate bill contained a proviso requiring submission to the Congress of a plan of the specific activities to be funded at the Barnwell Plant. The House receded to the Senate position. However, the Conferees indicated that they expected the Committee on Science and Technology and the Committee on Energy and Natural Resources to be informed of the nature of the activities to be undertaken at the Barnwell Nuclear Fuels Plant in conformity with the requirements of the Department of Energy Act that the Congress be kept "fully and currently informed." It was also the opinion of the Conferees that the Barnwell facility should be used in such a way so as not to limit the potential for eventual use as a reprocessing plant.

MAGNETIC FUSION

The Conferees adopted the House authorization level which was $8 million above the Senate Figure, to fund the following activities:

(1) Tokamak Confinement Systems work in neutral beam heating and impurity effects on the Oak Ridge ORMAK facility;

(2) Development and technology efforts on critical superconducting magnets and prototype development of neutral beam injectors to support the Tokamak Fusion Test Reactor (TFTR) at Princeton Plasma Physics Laboratory;

(3) Applied Plasma Physics theoretical support of Tokamak and Mirror Programs;

(4) Reactor Projects in diagnostics and test components for TFTR of at least $1 million.

The Conferees adopted the House position to include $14.4 million for project 78-3-b which is of highest priority in the Magnetic Fusion program and is a key support facility for fusion pilot plant materials selection.

The Conferees adopted the Senate position to increase the authorization for Project 46-5-b by $3.2 million for which would provide

thorough materials understanding and provide tritium handling experience for scale-up to pilot-plant operation.

HIGH ENERGY PHYSICS

The House amendment includes an authorization of $10,500,000 in plant funds for the Proton-Proton Intersecting Storage accelerator facility (ISABELLE) to be located at the Brookhaven National Laboratory. This authorization provides for engineering design and preliminary construction activities. The conferees feel that ISABELLE should proceed and have agreed to accept the House authorization in full.

NUCLEAR PHYSICS

The Conferees adopted the Senate increase of $6 million to generally enhance the effectiveness of major facilities which have been underutilized chiefly because of inflation, particularly in power costs.

CONSERVATION

The House and the Senate both increased the Administration budget request for the superconducting magnetic energy storage facility. The Conferees accepted $0.1 million addition to the budget request.

The Senate and House both increased the Administration budget request for Industrial Energy Conservation by $15.0 million to accelerate cogeneration in industry, but allocated this increase differently between operating expenses and capital equipment. The Conferees agreed to accept the Administration's division of operating and capital equipment expenses.

The Conferees resolved independent increases to the Administration budget request for Buildings and Community Conservation as follows: a $2.0 million increase for research and demonstration of improved gas and oil furnace efficiency; $2.0 million to develop a program plan covering financing, development and demonstration of urban area designs based upon integrated energy use; and $2.0 million for community energy management planning demonstration. The Conferees also agreed to emphasize the importance of finding uses for hot water effluents from power plants as an extension of cogeneration project planning.

The House bill contained authorizations for Transportation Conservation in both Title I and Title III. Under Title I, the Conferees agreed to $1.0 million for the Alternative Fuels Utilization Program and, under Title III, $12.5 million for Automotive Propulsion Research and Development.

The Conferees increased the authorization above the Administration's request for Improved Conversion Efficiency by $12.5 million as follows: Thermionics, $0.2 million; Fuel Cells, $10.3 million; Methane Recovery, $2.0 million.

ENVIRONMENT AND SAFETY

Members of the conference committee agreed to accept an increase in the authorization level for Environment and Safety research and development activities of $9 million over the President's request of $252,093,000. Of this increase, $7 million is provided for overview and assessment activities for the purposes of reviewing the current status of ERDA's Environment and Safety Review Program, refining and enlarging the environmental-energy data and information effort, expanding the liquefied natural gas program, and continuing with the regional environmental energy assessments. The remaining $2 million increase is for the decommissioning and decontamination activities of which $1 million is to be used in conjunction with the study of the West Valley Nuclear Fuel Services facility and $1 million is to be used for the general environmental study of decommissioning and decontamination activities.

Since a $1 million authorization was provided in both the Waste Management Program and in the Environment and Safety Program for purposes of carrying out the West Valley study, the conference committee directs the Administrator to undertake this study with the joint cooperation and assistance of both Assistant Administrators.

The general study should consider a series of alternative institutional approaches for Federal Government and private sector management of a national decommissioning strategy and program including but not limited to: 1) investigate the feasibility of having a lead federal agency approve and monitor an overall decommissioning strategy and whether ERDA should accelerate its decommissioning programs; 2) consider the needs of the nuclear industry, which will rely in large part on the research, demonstration and experience from ERDA decommissioning efforts; 3) examine the technical alternatives for decommissioning, decontamination and disposal as well as the costs for all recommended steps and alternatives for each type of facility and waste; 4) investigate alternative methods for financing the operation, including escrow and bonding procedures, and the cost estimates should be sufficiently detailed to assist in allocating the proper amounts to be set aside in such procedures; 5) investigate the possibility of an independent waste handling corporation, financed by current fees or preposted bonding; 6) examine and make recommendations for reasonable tax accounting methods for handling decommissioning costs, such as the possibility of including "negative salvage value" in the depreciation allowance; 7) review the extent to which ERDA is meeting State mandated requirements and recommend generic criteria for environmental impact statements; and 8) make recommendations for the coordination of ERDA, NRC, and EPA in the setting and implementation of decommissioning, disposal, and decontamination standards and criteria.

PROGRAM MANAGEMENT AND SUPPORT

The funding level of $317,804,000 for operating expenses for Program Management and Support agreed to by the conferees is $16.438 million above the Administration request. (This does not include any program management and support funding for military or joint civilian-military programs which are included in other legislation.) This additional funding is for staff support ($6.6 million), governmental relations ($4.038 million), university programs ($1.0 million for university reactor fuel, $1.65 million for occupational and vocational training and curriculum development, $1.35 million for traineeships), and small grants to inventors ($1.8 million).

Explanation of selected provisions

The Conference accepted an amendment to incorporate into the bill a program of loan guarantees for financing the construction and startup costs of demonstration facilities for the conversion of municipal and industrial wastes into synthetic fuels and other desirable forms of energy. Originally, the House bill contained a section 214 which authorized a $300 million loan guarantee program for the construction and start-up of demonstration facilities to convert various forms of biomass to desirable forms of energy (including synthetic fuels).

Section 214 contained provisions which were identical or similar to provisions contained in section 210 of H.R. 6796 and section 312 of S. 1811. Sections 210 and 312 of the respective bills, which authorized a loan guarantee program for the demonstration of technologies to produce alternative fuels from coal, oil shale and other domestic resources, were identical for a provision relating to patent rights. Section 214 was deleted from the agreed upon bill and the amendment offered, and accepted, incorporated into the program authorized by section 210, the major provisions of the biomass loan guarantee bill. By this action, the Conference avoided enacting into law unnecessary and duplicative provisions which would have established two entirely separate and distinct loan guarantee programs. Also, however, those provisions of the biomass loan guarantee section which were different from section 210 and which were specifically designed to attract participation by municipalities and other public and private entities, were retained in the compromise amendment offered in Conference.

The major provisions of the amended section 214 as incorporated into section 210 are as follows:

(1) A new subsection (4) is added to section 19 of the Federal Nonnuclear Research and Development Act, as amended. The program authorized by this subsection is confined to loan guarantees for municipal and industrial waste, sewerage sludge and other municipal organic wastes.

(2) The Administrator is authorized to guarantee and to make commitments to guarantee loans, the outstanding indebtedness not to exceed $300 million at any one time.

(3) With regard to the program for municipal or industrial waste the following subsections of the loan guarantee program authorized in section 19 shall not apply (b)(1), (b)(5), (c)(2), (c)(5), (c)(6), (c)(7), (c)(8), (c)(9), (e)(3), (j), (k) and (q).

(4) Any demonstration facility for the conversion of solid waste shall, prior to issuance of such guarantee, receive a certification from the Environmental Protection Agency and any appropriate State or areawide solid waste management planning agency that such guarantee agreement is consistent with applicable solid waste management plans and guidelines.

(5) In the case of such demonstration facilities the amount guaranteed shall not exceed 75 per centum of the total cost of the facility provided that 90 per centum of the total cost of the facility shall not be guaranteed during the period of construction and start-up.

(6) The maximum maturity on any obligation is not to exceed 30 years or 90 per centum of the projected useful life of the facilities physical assets.

(7) To cover administrative costs and probable losses or guaranteed obligations, the Secretary is to collect fees for guarantees of obligations not to exceed 1 per centum per annum of the outstanding indebtedness covered by the guarantee.

(8) No project is to be transferred to any other agency except pursuant to Act of Congress and the projects are to be administered in accordance with an interagency agreement between the Environmental Protection Agency and the Energy Research and Development Administration.

(9) With respect to any guaranteed obligation issued by a tax-exempt authority the interest which would otherwise be tax-free is made taxable provided that the Secretary shall repay to such issuer a portion of the interest on such obligations as determined by the Secretary of the Treasury.

The identical language included in section 210 of the House bill and section 312 of the Senate bill to provide authorization for the establishment of a loan guarantee program for the construction and operation of facilities to produce synthetic fuels from coal, oil shale and other domestic resources does not specifically define the word "demonstration". To insure that the intent of the Conference is clearly stated, the managers of the Conference include the explanation of this term given by Congressman Teague during floor consideration of H.R. 6796, the Fiscal Year 1978 ERDA Authorization bill.

The ERDA Authorization bill for fiscal year 1978, H.R. 6796, contains an amendment to the Non-Nuclear Energy Research and Development Act of 1974 which would provide authority to ERDA or its successor

agency in the Department of Energy to use loan guarantees in the development of alternative forms of energy.

The purpose of this amendment is to give the agency new authority to set up a loan guarantee program as part of the Non-Nuclear Act.

The Congress has indicated in Section 8 of the Act the applicability and intent of the Act regarding demonstrations of full-size facilities. This section authorizes the Administrator to "enter into cooperative agreements with non-Federal entities to demonstrate the technical feasibility and economic potential of energy technologies on a prototype or full-scale basis." The Act is clear in that the intent of Congress is that commercial scale facilities qualify for assistance.

If the development of coal gasification is to proceed through the assistance of loan guarantees it is important that the agency be able to look at different demonstration projects under this legislation with respect to coal, environmental and socioeconomic impact and other geographical limiting parameters. The agency must be free to consider all of the coal gasification projects so far announced based on their contribution to the energy technology and energy inventories of this country.

This Section 210 contains no explicit language which limits the size of the facility to be demonstrated. The optimal size of a demonstration plant would vary with the technology and with the particular situation. For example, if the Administration was considering proposing a high Btu coal gasification plant demonstration, it might choose to guarantee construction of a commercial size plant, or one that is smaller than commercial size. However, if by choosing the smaller size it thereby limits the number of potential projects that could bid on the project to only one, then the success of the project would be seriously jeopardized. A better public policy and a sound energy RD&D policy would be to build a plant which would permit sufficient participants to bid for the award. The language of Section 210 does not prohibit the Administrator of ERDA from making his choice. It gives him the flexibility he needs.

The language of the bill provides that all projects which exceed $50 million will require individual review and specific approval by both Houses of Congress through separate legislation. Congress will have ample opportunity to closely review the choice of the Agency before approving or disapproving authorizing legislation. With this authorization safeguard in place, it is important now that the Agency get on with the task before it and not be restricted in the review of the type and number of projects which can help to mitigate the energy shortfall in this country.

The Senate bill contained a title on changing the basis for government charge for uranium enrichment services. The language of the title conformed to that submitted by the Administration except for an amendment. The amendment changed the procedure for the Congressional review of uranium pricing policy from a layover period of 45 days before the appropriate committees to a layover period of 60 days with a one-house disapproval resolution procedure for changes in the price charged for enrichment services. The House amendment also contained the title submitted by the Administration with amendments including a provision that the enrichment services pricing was limited to recovery of Government costs and normal and ordinary business expenses which would otherwise be incurred by a private operator.

Because of the President's objections to the one-house veto and the limiting language in this Title, it was deleted from the amendment to S. 1340.

The Conference Committee agreed to delete Section 601(3)(d) in the Senate Bill which would have specifically called for the ERDA to spend, during fiscal year 1978, at least $10 million of the solar program funding for the operation of the Solar Energy Research Institute (SERI). The deletion of this language in no way reflects any prejudice to the SERI. The conferees confirm their full support for the ERDA and urge the ERDA to move as rapidly as possible to develop the SERI consistent with a wise expenditure of the Institute's funding.

The Senate bill contained a section which required a study of the options for decommissioning or other disposition of the Western New York Nuclear Service Center, but contained a provision that the section was not to be construed to commit the Federal Government to any new assistance or participation in the Center and that nothing in the section should be construed to relieve any party of its responsibilities for the safe storage of nuclear waste. The House amendment contained a similar section which required a plan rather than a study, and the provision stating that nothing in the section should be construed to relieve any party of its responsibilities for the safe storage of nuclear waste. That Conferees adopted the Senate language. However, it is the view of the Conferees that the section does not preclude future Federal participation.

The Conferees accepted House language which requires that the revenues received by the Administration from the enrichment of uranium be used to offset the costs which are incurred in providing existing and future uranium enrichment service activities, both for operating and plant and capital expenditures.

The Senate agreed to recede to the House to delete language contained in the Senate bill to establish an employee grievance procedure for the Lawrence Livermore Laboratory. The Conferees note that recently, the University of California has agreed to a new set of guidelines for relations with employee organizations. This agreement is an important step in establishing an improved labor management policy. For this reason it was felt that the amendment was not required.

The House bill had a separate Title III relating to automotive propulsion research and development. Title III of the House bill was amended on the House floor on September 21. The amendment changed the title from the "Automotive Transport Research and Development Act" to the "Automotive Propulsion Research and Development Act", and deleted the concept of "integrated test vehicles" from the bill. The Senate bill had no comparable title.

The conferees agreed to accept Title III of the House bill with an amendment to Sec. 304(f) which requires special reports on grants and contracts entered into under the "Automotive Propulsion Research and Development Act of 1977".

The Conferees adopted the House provision which required a report focused on the impact of the President's non-proliferation policy on cooperative agreements in research and development with an amendment. The Conferees amended the provision so that the report is to be transmitted to the House International Relations and Science and Technology Committees and the Senate Foreign Relations and Energy and Natural Resources Committees.

The Conferees directed that the report should be made as consistent as possible with other required reports to the Congress on nonproliferation policy and initiatives.

The Conference passed Sec. 313 with the clear understanding that the action taken under this section is in response to emergency conditions resulting from the Teton Dam disaster and that it is not a major federal action. They further agreed that the effectiveness of the section depends on its prompt implementation and encourage the Secretary of Interior to request the Council on Environmental Quality to exempt this action from the environmental impact statement requirements of the National Environmental Policy Act of 1969.

In both the House and Senate-passed authorization bills, $15 million was provided to develop a program whereby the United States would embark upon the research, development and demonstration of low-head hydroelectric technology. A good deal of foreign technology utilizing turbines that can generate electricity under low-head, run-of-the-river conditions already exists, but further refinement of this technology is called for in order to reduce cost. Based upon these complementary rationales, the conferees have agreed to retain the $15 million authorization and to further characterize purposes for which this authorization is made.

The House, in its report on H.R. 6796, indicated that the authorization would be used to develop a research and development program. This entails research work, systems evaluation, site analysis and selection, and other economic, environmental and technical activities. The Senate bill and accompanying report contemplated a demonstration type program whereby a majority of funds would be utilized for demonstrating the feasibility of installing small scale hydroelectric generators in existing dams. It is the judgment of the conferees that the programs contemplated by both houses should be initiated in fiscal year 1978. Specifically, the conferees believe that ERDA should embark upon demonstration programs with full consideration to existing but unused facilities and to refine existing technology to help meet short-term goals for producing energy from low-head hydroelectric technology. At the same time, ERDA should initiate a research and development program and perform studies which will define the locations and resource potential of the sites where this technology might be used. It should be emphasized that there is no intention upon the part of the conferees to establish at this time a large research and development activity at the expense of an aggressive demonstration program. Instead, ERDA should establish an appropriately balanced program for accelerated introduction of low-head hydroelectric power generation.

The Senate bill contained a funding level of $75 million for the continuation of the Clinch River Breeder Reactor (CRBR) Project.

The House amendment contained $150 million for the CRBR project. Because of the President's veto of S. 1811, S. 1340 contains no reference to the CRBR.

The House bill included a proviso requiring that of the funds authorized for the Liquid Metal Fast Breeder Reactor (LMFBR) program, at least $10,400,000 shall be expended for the development and testing of steam generators and liquid metal pumps, and for advanced fuel development. The House bill also included an additional $5,000,000 in construction funds to build facilities for the testing of these steam generators.

These provisions were predicated on the availability of sufficient funds within the LMFBR program, as contained in the House bill, to assure that high priority component development and testing activities would be accomplished. Unfortunately, at the $80,000,000 level agreed upon for the CRBR by the conferees in the supplemental appropriations bill the impetus to component and advanced fuel development that would have been obtained by the provisions is no longer achievable, and the House proviso and capital funding addition are therefore withdrawn.

At the same time, the conferees believe that the LMFBR program should not lose sight of the need to maintain some focus on the development and testing of components

of the type and size appropriate for an intermediate sized LMFBR plant, in the event that construction of such a plant may be warranted in the future.

The conferees recognize the possibility that the U.S. may need to rely on LMFBR technology at an earlier date than that currently projected, and that a strong technological base both in research areas, and in component development and testing is needed so that the U.S. will be in a position to utilize its LMFBR capabilities expeditiously should the need arise.

The Senate bill provided that all inventions made or conceived in the course of or under a guarantee authorized by this Act must be subject to the title and waiver requirements and conditions of section 9 of Public Law 93-577. The House amendment required the application of section 9 of Public Law 93-577 to a loan guarantee only in the case of default. The House receded to the Senate position.

The conferees reconfirm the fact that the Secretary has the full authority to grant apriori waivers of the United States' right to inventions made under a loan guarantee and to include provisions pertaining to terms and conditions under which the Federal government would recapture the rights to such inventions in case of default. The conferees expressed a strong consensus view that the Secretary should liberally use his authority to grant apriori waiver of Federal government rights to inventions made under a loan guarantee and in anticipation of a default the Secretary, in his discretion, has the authority to include provisions in the loan guarantee contract to insure that patents developed under the loan guarantee became part of the project assets and available to the United States.

It is noted that conceptual design of a demonstration plant for the HYGAS process is already underway within the demonstration plant program at ERDA. Seven and one-half million dollars is to be spent on this 20 month project through fiscal year 1978.

Demonstration plants for high Btu coal gasification processes have already been authorized, one in 1976 (Project 76-1-b), one in 1977 (Project 77-1-b). Two processes were chosen to begin conceptual design under the authorization for the first pipeline demonstration project. At the time that the second demonstration plant was authorized in fiscal year 1977, the conferees noted in their report (S. 94-1327, H.R. 94-1718): "HYGAS technology, which has been developed in an ERDA pilot plant, offers the potential for economic success as revealed in a recent independent study made for ERDA. The conferees urge ERDA to consider the selection of a process for the demonstration plant, which has both economic promise and process reliability. The conferees recognize the importance of cost-sharing aspects in any joint program but are concerned if the best technology for demonstration is not developed properly." With these objectives in mind, the conferees wish to emphasize their concern that the best technology for demonstration be developed properly.

While the cost sharing arrangements are important aspects of the demonstration programs, any rigid application of financial formulas is unadvisable, since the purpose of the program is to demonstrate second generation technology and thereby increase its chances for success in the market place.

The current contract for conceptual design of a HYGAS demonstration plant will result in three conceptual designs in competition for two demonstration projects. The fiscal year 1977 Authorization bill provided $10 million for the second demonstration plant but no appropriations were made for that plant in fiscal year 1977. Further authorization of this plant depends upon a competition where technological criteria are given equal weight with economic criteria.

The conferees are also concerned that previous proposals which developed the HYGAS process for a demonstration plant not be dismissed as a result of the ERDA-sponsored conceptual design contract. Any such previous proposals for a HYGAS demonstration should also be eligible for the competition for the second High Btu Demonstration Plant.

The Department of Energy has assured the conferees that the HYGAS process will be a candidate for the second demonstration plant in a letter from Dr. Philip White, Acting Program Administrator for Fossil Energy:

DEPARTMENT OF ENERGY,
Washington, D.C., Oct. 3, 1977.

Hon. WALTER FLOWERS,
Chairman, Subcommittee on Fossil and Nuclear Energy Research, Development and Demonstration, Committee on Science and Technology, House of Representatives.

DEAR MR. CHAIRMAN: The following is provided for your information regarding the recommendation being made by Senator Ford to seek authorization and appropriation for a third High BTU Pipeline Gas Demonstration Plant dedicated to the HYGAS Process.

Fiscal Year 1977 ERDA authorization provided for a second High BTU Pipeline Gas Demonstration Plant (Project 77-1-b). The authorization did not specify the process and no funds were subsequently appropriated for this project. This authorization could eventually be utilized for the HYGAS Demonstration Plant if funds are to be appropriated.

On July 29, 1977, ERDA using available funds from its operating budget awarded a twenty (20) month contract with PROCON, Inc. The objectives of the contract are to (1) prepare a conceptual design of a commercial size plant employing the Institute or Gas Technology HYGAS Process, and (2) select a demonstration plant size and prepare detailed process design and conceptual designs with economic evaluations. Funds in the amount of $3.6 million were obligated in Fiscal Year 1977. The balance of funds ($3.9 million) are programmed for Fiscal Year 1978 and 1979. Concurrent with this contract, the HYGAS Pilot is being operated to generate the firm data base required for optimization of a demonstration plant design for the production of pipeline gas from bituminous coal. Approximately 15 months of pilot plant R&D efforts will be required to obtain the information needed to complete the process design and economic evaluations. This step must be carried out to assure that the project can be carried forward with an acceptable technical and financial risk. The study contract will culminate in Fiscal Year 1979 with the delivery of documentation in sufficient detail to proceed directly with detailed design procurement and construction of the HYGAS Demonstration Plant, if warranted.

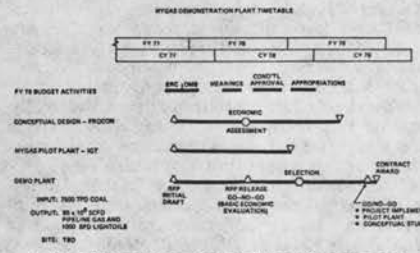
The rationale for the "if warranted" position is that a go-no-go detailed economic assessment will be made on the commercial plant design in mid-Fiscal Year 1978. If at that point a decision is made to proceed with the study, the earliest that this agency could use appropriated funds is Fiscal Year 1979. In anticipation of this decision, funds are being requested in the Fiscal Year 1979 budget for initiation of the HYGAS Demonstration Plant. A copy of the HYGAS Demonstration Plant Timetable is enclosed.

Based upon the above information, it has been concluded that authorization and appropriation for a third High BTU Pipeline Gas Demonstration Plant is not recommended at this time. Please also note that the overall agency High BTU Pipeline Gas Program consists of three (3) different processes competing for two plants to move forward to construction and operation.

Please advise if you need any additional information.

Sincerely,

PHILIP C. WHITE,
Acting Program Administrator for Fossil Energy.



The House receded to the Senate and excluded language which required the Secretary of the Department of Energy to personally approve of each shipment of plutonium for national security purposes if the plutonium is not carried in an approved "safe container". The Conferees understand that such a safe container is currently under development by the Department of Energy and that it will be subject to certification shortly. The Conferees direct the Department to proceed promptly. After certification, such containers shall be used for all air transportation of plutonium as quickly as possible. Further, these casks should be able to accommodate all configurations of plutonium that might be shipped.

Yesterday, in response to my request for an opinion on the funding situation of the Clinch River project the GAO sent me its finding on the use of the money contained in the supplemental appropriations bill. The letter of Mr. Elmer Staats, the Comptroller General, is a positive and clear statement that the Clinch River project funding must be used to continue the project. At this point I would like to insert the letter in the RECORD:

WASHINGTON, D.C.,
December 5, 1977.

Hon. OLIN E. TEAGUE,
Chairman, Committee on Science and Technology, House of Representatives.

DEAR MR. CHAIRMAN: This replies to your letter of November 23, 1977, requesting our opinion as to the purposes for which funds contained in H.R. 9375 for the Clinch River Breeder Reactor Project might be used should the bill be enacted into law. In essence, the question is whether the President may properly use such funds to terminate the project or carry it forward on a basis different from that prescribed in the initial authorizing legislation.

The bill, making supplemental appropriations for fiscal year 1978, provides simply that:

"[of the amount appropriated] $80,000,000 shall be for the Clinch River Breeder Reactor Project."

There is no existing legislation authorizing the appropriation of any sum for the project. The project itself was authorized, however, by section 106 of P.L. 91-273, as amended by section 103(d) of P.L. 94-187. In conjunction with authorization of the project, section 106 authorized appropriations for its implementation, but only through September 30, 1976.

Section 106 specifies stringent conditions governing the manner in which funds appropriated for the Clinch River project must be used. We have previously considered the extent to which section 106 constrains the

purposes for which funds appropriated to carry out the project may be used and have concluded that the provisions of the section are controlling. See our letter of June 23, 1977, to Senator Henry M. Jackson as Vice Chairman of the Joint Committee on Atomic Energy, copy enclosed, in which we conclude that by reason of the provisions of section 106, the President may not curtail or terminate the Clinch River project.

The question you pose arises as a result of the lapse of authorization for appropriations to carry out the project and is somewhat complicated by reason of the President's veto of S. 1811, the "ERDA Authorization Act of 1978—Civilian Applications." The vetoed measure would have extended the authorization of appropriations for Clinch River through fiscal year 1978 and, further, would have emphasized in express terms the congressional mandate that any funds appropriated pursuant to authorization for the project be used only in conformity with the project authorization provisions and not for its cancellation or termination.

Had the President not vetoed S. 1811, there would be no question but that the $80 million contained in H.R. 9375 would have to be construed as being in furtherance of the appropriation authorization provided and subject to the constraints set forth. Aside from extension of the authorization for appropriations, however, the vetoed measure did not in any way touch upon the operative effect of section 106, referred to above, providing the basic authority for carrying out the Clinch River project except to emphasize congressional concurrence in its legal effect as previously construed in our letter to Senator Jackson. In other words, we do not consider that the substantive provisions of S. 1811 materially affected the project authorization requirements of section 106 and, but for the appropriation authorization provisions it contained, its failure of enactment into law had no significant effect on the Clinch River project.

The issue that we come down to, then, is whether an appropriation of $80 million for "the Clinch River Breeder Reactor Project" may somehow be construed as an appropriation for some other project than the one authorized by section 106 on the sole ground that the appropriation is not preceded by an authorization therefor.

In our view, there is not the slightest justification for considering the funds contained in H.R. 9375 for "the Clinch River Breeder Reactor Project" as being unrestrained by the provisions of section 106. There is only one project that conceivably can come under that name and there is no legislation which removes the project from the constraints of section 106 relating to it. Any doubt as to identification of the project for which the $80 million is being provided is utterly dissipated by reference to legislative history throughout which there was continuing concern over the legal effect of providing the funds without prior appropriation authorization.

The fact, however, that an appropriation of funds to carry out the project will have been enacted without prior legislation authorizing the appropriation is of no consequence given the clear identification in the appropriation language of the purpose for which the funds are being provided.

Accordingly, we conclude that the Executive Branch must use the funds to be provided by H.R. 9375 pursuant to the requirements of section 106 as discussed in our letter to Senator Jackson. Failure to do so would constitute contravention of section 628 of title 31, United States Code, which provides that:

"Except as otherwise provided by law sums appropriated for the various branches of expenditure in the public service *shall be applied solely to the objects for which they are respectively made, and for no others.*" (Emphasis added.)

Should the Executive Branch, without further authority, use the funds provided in a way that does not accord with section 106 requirements we will have to consider whether the taking of formal exception to such expenditures would be appropriate.

Finally, we point out that the President's exercise of the authority granted to him by the Impoundment Control Act of 1974 is a matter wholly independent of the issues raised by using H.R. 9375 budget authority. Should rescission or deferral of all or part of the $80 million be proposed to the Congress pursuant to the Impoundment Control Act of 1974, the Congress will, at such time, have an opportunity to take whatever action it might deem appropriate in response thereto.

We hope the foregoing will be of assistance to you.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

COMPTROLLER GENERAL OF THE UNITED STATES,
Washington, D.C., June 23, 1977.

Hon. HENRY M. JACKSON,
Vice Chairman, Joint Committee on Atomic Energy, Congress of the United States.

DEAR MR. VICE CHAIRMAN: This replies to your letter of May 26, 1977, in which you and Senator Baker asked that we review deferral number D77-58 transmitted by the President to the Congress on May 18, 1977. By this action the President proposed to defer $31.8 million in budget authority appropriated for the Clinch River Breeder Reactor Project (CRBRP). Because you believe the action taken by the President should have been proposed as a rescission rather than as a deferral of budget authority, you asked that we review this matter to see if it has been correctly classified. You also asked if any actions currently undertaken or proposed by the executive branch toward significant curtailment of the CRBRP exceed or will exceed controlling statutory authorities.

Based on the facts currently available, we conclude that the action proposed to the Congress was correctly classified—it is a deferral of budget authority. However, we will monitor the situation and will promptly report to the Congress any future actions constituting a rescission or deferral under the Impoundment Control Act of 1974.

With respect to the second question, we believe that the Administration's proposed curtailment of CRBRP objective is substantially inconsistent with that set forth in the CRBRP program criteria that were approved as required by law, by the Joint Committee on Atomic Energy (JCAE). We also believe the curtailed problem is not in accord with the statute authorizing the CRBRP. In our view, for these reasons the Energy Research and Development Administration (ERDA) lacks the legal authority to implement the President's plan.

Accordingly, expenditures of Federal funds to fully implement the revised CRBRP program would be improper unless ERDA first obtains the necessary authority to undertake such actions. Should ERDA proceed to use CRBRP funds to implement the President's proposed plan without having secured such authority, this Office will review the specific actions taken with the objective of taking formal exception to such expenditures.

There follows a detailed discussion of our findings and conclusions.

I. BACKGROUND

A. Progress to date

Before discussing the legal issues raised by your letter, it is appropriate to discuss the history and facts surrounding the project and the effects of the most recent executive branch actions on the CRBRP. In reviewing the President's actions, we met with ERDA and contractor officials both at headquarters and at the project office site.

Prior to the recent executive branch actions, the Clinch River Breeder Reactor Demonstation Plant was scheduled to be operational by early 1984 and was to be the nation's first large-scale liquid metal fast breeder reactor (LMFBR) demonstration plant with a 380 megawatt capacity. Presently, design, procurement, and component fabrication for the project are about 25 percent complete, although no site preparation or actual plant construction has yet begun. According to ERDA estimates, the project, if completed, will cost about $2 billion, $270 million of which will be constributed by industry participants. As of May 31, 1977, ERDA had spent about $254 million and industry participants a little over $99 million.

B. Origins and statutory basis of the CRBRP

The CRBRP had its origins in 1969. In that year the Atomic Energy Commission (AEC) was specifically authorized to study the ways in which an LMFBR demonstration project could be designed. Section 106 of Public Law 91-44, approved July 11, 1969, stated:

"SEC. 106: Liquid Metal Fast Breeder Reactor Demonstration Program—Project Definition Phase.—(a) The Commission is hereby authorized to conduct the Project Definition Phase of a Liquid Metal Fast Breeder Reactor Demonstration Program, under cooperative arrangements with reactor manufacturers and others, in accordance with the criteria heretofore submitted to the Joint Committee on Atomic Energy, without regard to the provisions of section 169 of the Atomic Energy Act of 1954, as amended, and authorization of appropriations therefor in the amoun of $7,000,000 is included in section 101 of this Act."

One year later the Congress went further in the area of an LMFBR demonstration project and specifically authorized the design, construction, and operation of such a reactor. Section 106 of Public Law 91-273, June 7, 1970, stated:

"SEC. 106. Liquid Metal Fast Breeder Reactor Demonstration Program—Fourth Round.—(a) *The Commission is hereby authorized to enter into a cooperative arrangement with a reactor manufacturer and others for participation in the research and development, design, construction, and operation of a Liquid Metal Fast Breeder Reactor powerplant, in accordance with the criteria heretofore submitted to the Joint Committee on Atomic Energy and referred to in section 106 of Public Law 91-44,* without regard to the provisions of section 169 of the Atomic Energy Act of 1954, as amended, and the Commission is further authorized to continue to conduct the Project Definition Phase subsequent to the aforementioned cooperative arrangement. * * *

"(b) Before the Commission enters into any arrangement or amendment thereto under the authority of subsection (a) of this section, the basis for the arrangement or amendment thereto which the Commission proposes to execute (including the name of the proposed participating party or parties with whom the arrangement is to be made, a general description of the proposed powerplant, the estimated amount of cost to be incurred by the Commission and by the participating parties, and the general features of the proposed arrangement or amendment) shall be submitted to the Joint Committee on Atomic Energy, and a period of forty-five days shall elapse while Congress is in session (in computing such forty-five days, there shall be excluded the days on which either House is not in session because of ad-

journment for more than three days): *Provided, however,* That the Joint Committee, after having received the basis for a proposed arrangement or amendment thereto, may by resolution in writing waive the conditions of, or all or any portion of, such forty-five day period: *Provided, further,* That such arrangement or amendment shall be entered into in accordance with the basis for the arrangement or amendment submitted as provided herein * * *." (Emphasis added.)

This basic scheme was retained in 1975 when section 106 of the 1970 act was amended by section 103(d) of Public Law 94-187, December 31, 1975:

"SEC. 106. Liquid Metal Fast Breeder Reactor Demonstration Program—Fourth Round.—(a) The *Energy Research and Development Administration (ERDA) is hereby authorized to enter into cooperative arrangements with reactor manufacturers and others for participation in the research and development, design, construction; and operation of a Liquid Metal Fast Breeder Reactor powerplant, in accordance with criteria approved by the Joint Committee on Atomic Energy,* without regard to the provisions of section 169 of the Atomic Energy Act of 1954, as amended. Appropriations are hereby authorized * * * for the aforementioned cooperative arrangements as shown in the basis for arrangements as submitted in accordance with subsection (b) hereof. * * *

"(b) *Before ERDA enters into any arrangement or amendment thereto under the authority of subsection (a) of this section, the basis for the arrangement or amendment thereto which ERDA proposes to execute (including the name of the proposed participating party or parties with which the arrangement is to be made, a general description of the proposed powerplant, the estimated amount of cost to be incurred by ERDA and by the participating parties, and the general features of the proposed arrangement or amendment) shall be submitted to the Joint Committee on Atomic Energy,* and a period of forty-five days shall elapse while Congress is in session (in computing such forty-five days, there shall be excluded the days on which either House is not in session because of adjournment for more than three days): *Provided, however,* That the Joint Committee, after having received the basis for a proposed arrangement or amendment thereto, may by resolution in writing waive the conditions of all, or any portion of, such forty-five-day period: *Provided, further,* That such arrangement or amendment shall be entered into in accordance with the basis for the arrangement or amendment submitted as provided herein: * * *" (Emphasis added.)

Pursuant to the 1975 law, ERDA proposed criteria to the JCAE for its approval. On April 29, 1976, the JCAE approved the most recently submitted criteria. Those project criteria appear at page 63 of *Modifications in the Proposed Arrangements for the Clinch River Breeder Reactor Demonstration Project.* Hearings Before the Joint Committee on Atomic Energy, 94th Cong., 2d Sess., April 14 and 29, 1976 (1976 Hearings).

C. The present CRBRP criteria and contract

As a result of the JCAE's action of April 29, 1976 (a rollcall vote), the LMFBR demonstration program at the Clinch River site is governed by criteria that call for the design, construction, and operation of an LMFBR plant. These program criteria state that the CRBRP's major objectives are to demonstrate the technology pertaining to, and the reliability safety, and economics of, LMFBR powerplants in the utility environment. Other objectives are to:

Provide for meaningful identification of areas requiring emphasis in the LMFBR research and development program;

Validate, to the extent practicable, technical and economic data and information pertinent to the total LMFBR program;

Assist in developing an adequate industrial base;

Provide for meaningful utility participation and experience in developing, acquiring, and operating LMFBR plants;

Help assure overall program success; and

Demonstrate and maintain U.S. technological leadership.

The criteria also specifically set forth design requirements and plant objectives stating, among other things, that the plant's first core is to use mixed oxide fuel consisting of uranium and plutonium and that it be designed, fabricated, constructed, tested, operated, and maintained in conformance with established engineering standards and high quality assurance practices.

Pursuant to the JCAE-approved criteria, ERDA entered into a cooperative arrangement with the Project Management Corporation (PMC), the Commonwealth Edison Company, and the Tennessee Valley Authority (TVA) on May 4, 1976. That contract recognizes the controlling statutory criteria for the LMFBR. For example, the contract states, pertinently:

A. Para. 1.1.9: " 'Project' means the cooperative effort to *design, develop, construct, test and operate the LMFBR Demonstration Plant* provided for in the Principal Project Agreements." [See para 3.1] (Emphasis added.)

B. Para. 3.1: [Principal Project Agreements] " * * * TVA and ERDA will enter into an agreement *for the operation of the Demonstration Plant* * * *" (Emphasis added.)

C. Para. 4.1: "* * * ERDA shall, pursuant to this contract, manage and carry out the Project [see Para. 1.1.9, above] in an efficient, effective and timely manner consistent with the Principal Project Objectives, and shall use its best efforts to design and build the Demonstration Plant substantially in conformance with the Reference Design. * * *"

D. Recent ERDA plans and GAO evaluation

On May 19, 1977, Mr. Robert W. Fri. Acting Administrator, ERDA, sent to the JCAE notice of ERDA's plans to revise the CRBRP. Mr. Fri stated, *inter alia,* ERDA's plans for the "cancellation of construction, component construction, licensing and commercialization efforts for CRBRP, but completion of systems design;"

This letter clearly recognized that the plan proposed by the President and reflected in the May 18, 1977, deferral message would necessitate revision to the present JCAE-approved CRBRP criteria, and acknowledged that an amendment to the statutory authorization may be in order if the President's program revision is to be implemented. Mr. Fri stated:

"At the direction of the President, and in compliance with Section 106(b) of Public Law 91-273, as amended, ERDA herewith submits the enclosed amended program justification data *reflecting discontinuance of the CRBRP Project, except for completion of systems design* so as to help identify engineering problems that will have to be solved in developing alternative types of reactors. *The statutory criteria will likewise require commensurate revision.*

"Appropriate negotiations will, of course, have to be undertaken and concluded with the other Project participants, with the objective of implementing the proposed action concerning the Project, and the cooperative arrangement amended accordingly. In addition, amendatory legislation with respect to the basic enabling authorization for the CRBRP Project may be in order.

"For the prescribed statutory period during which this revised basis of arrangement is required to lie before the Joint Committee, new obligations for the Project will be kept to a minimum consistent with prudent Project management. A deferral (No. D77-58) is being reported for the $31.8 million of CRBRP Project budget authority that will not be available during this period. *Following such period ERDA will proceed with appropriate implementing actions.*" (Emphasis added.)

In an attachment to his letter, Mr. Fri discussed the existing four-party contractual agreement and those contract amendments that would have to be made in order to limit LMFBR activities to systems design efforts. Systems design (roughly 60 percent of the total design work) would, under the President's proposal, be completed. Pursuant to this proposal, ERDA has reduced its fiscal year 1978 budget request from $208.7 million to $162 million. The funds requested would be used to continue systems design activities; to terminate detailed design, licensing, procurement, and construction activities; and to settle claims, primarily those anticipated from the termination actions.

Thus far, we have found no evidence indicating that project activity has been significantly slowed down as a result of the executive branch's proposed change in program objectives. To date, we have found no procurement actions that have been delayed or cancelled and ERDA officials told us there were none. However, the project office in Tennessee, at the direction of ERDA headquarters, recently submitted a list of 10 scheduled procurements to ERDA headquarters for approval. According to an ERDA procurement official, the proposed procurement actions involve contracts by Westinghouse, the lead reactor manufacturer, with its subcontractors. The amount involved in these procurements is about $9.8 million. (Should ERDA decide to prevent award of any of the subcontracts it may develop that further questions will exist regarding such actions in light of the Impoundment Control Act of 1974, discussed below.)

We compared the proposed changes on the Clinch River LMFBR project as submitted by ERDA to the JCAE on May 19, 1977, with the existing criteria. As part of this comparison, we discussed the criteria with the General Manager of PMC (the contract party that represents the utility participants in the project) on a line-by-line basis to pinpoint the specific program changes that would result from the President's actions. Based on our examination, we confirm that ERDA's proposal of May 19, 1977, represents a notice of its intention to proceed with the CRBRP in a way that will result in a program that does not fulfill major objectives of the existing JCAE-approved statutory criteria; nor the object of the authorization itself—to operate an LMFBR demonstration plant.

We asked ERDA officials to give us their estimate of the additional costs that would be incurred assuming ERDA terminated the project, except for systems design, on or about July 26, 1977, and the Congress subsequently provided the funds to continue the project on December 1, 1977. We chose a December 1, 1977, date because it allows the Congress an opportunity to consider fully whether to go ahead with LMFBR efforts and the associated funding. Although it is uncertain when the Congress will make its decision on the project, and how quickly or completely ERDA may implement the proposed discontinuance of the program, we believe that the December date provides a good indication of the impact a project termination will have prior to Congress having an opportunity to fully consider the matter.

ERDA provided us with cost and schedule information using three assumptions:

1. Assuming the licensing process could begin where it was stopped, project costs would increase by about $346 million and plant operations would be delayed between 1 and 1½ years. To restart the project where it was terminated in the licensing process, however, probably would require legislation that would, in effect, circumvent some of the normal licensing processes.

2. Assuming the licensing process would have to begin with a new application, project costs would increase by about $546 million and plant operation would be delayed over 3 years. Neither this assumption nor the first account for the possibility that ERDA may be required by the Nuclear Regulatory Commission (NRC) to locate the plant at a different site if projected plant operation is delayed. Such a relocation appears to be a distinct possibility based on past NRC proceedings on the Clinch River Project. In fact, the Deputy Director, Division of Site Safety and Environmental Analysis, NRC, told us that if the CRBRP is delayed for 2 years or more, it would be very difficult, if not impossible, for the NRC staff, in its analysis, to conclude that it is cost beneficial to locate the demonstration reactor at the Clinch River site.

3. Assuming the plant would have to be relocated, project costs would increase by about $1.1 to $1.3 billion and plant operation would be delayed 5 to 6 years.

Although we did not have the opportunity to evaluate ERDA's estimates in detail, we believe they provide a reasonable indication of the magnitude of the costs and extent of schedule slippages that might occur if the project were terminated on July 26, 1977, and the Congress decided to restart it at a later date. By comparison, if ERDA were to delay project termination until December 1, 1977, by honoring ongoing contracts but not entering into additional contracts not essential to ongoing work, the estimated costs would be increased by about $61 million.

Based on the information set out above, it would seem that terminating the project prior to congressional deliberations could make restarting the project so costly as to outweigh its benefit. Thus, in effect, the executive branch, if it is successful in promptly implementing its present plan, may well have made a major policy decision unilaterally through administrative procedures which should have been made through the legislative process. The documentation we have examined discloses no intention on the part of the executive branch to proceed with completion of an LMFBR demonstration plant at Clinch River in the future.

II. THE IMPOUNDMENT CONTROL ACT OF 1974

Under the Impoundment Control Act of 1974 (Act), title X of Public Law 93-344, 88 Stat. 332, July 12, 1974, 31 U.S.C. 1400, *et. seq.*, there are two types of impoundments—deferrals and rescissions. The distinction between the two categories is the duration of a proposed withholding of budget authority: a deferral is a proposal to withdraw temporarily budget authority from availability for obligation; a rescission is a request to cancel, *i.e.*, rescind, previously appropriated funds—in other words, a permanent withdrawal of budget authority.

In both categories of withholdings there exists a common characteristic—impoundment. While the term "impoundment" is not defined by the Act, we have operated under the view that an impoundment is any type of executive action or inaction that effectively thwarts the obligation or expenditure of budget authority. This does not mean, however, that impoundments always exist when budget authority is not used to implement all authorized activities.

The Act is concerned with the rescission or deferral of budget authority, not the rescission or deferral of programs. Thus, a lump-sum appropriation for programs A, B, and C used to carry out only program C would not necessarily indicate the existence of impoundments regarding programs A and B. So long as all budgetary resources were used for program C, no impoundment would occur even though activities A and B remained unfunded.

Consistent with this construction of the Act, sections 1012(b) and 1013(b) of the Act, 31 U.S.C. 1402(b) and 1403(b), respectively, provide that when proposed rescissions and deferrals are rejected the impounded budget authority must be "made available for obligation." If this is not done the Comptroller General is authorized to bring suit to compel the cessation of the withholding. 31 U.S.C. 1406. In this connection, the requirements of the Act clearly are to mandate the release of withheld funds. Significantly, no mention is made in the Act with respect to the uses to which the released funds are put. The Comptroller General can only seek, and the court can only grant, an order compelling the President to release the funds. Neither the Comptroller General nor the courts are authorized under the Act to constrain the executive branch in the way the funds are to be used once released.

Concerning the CRBRP, we have determined that, except for the $31.8 million held in reserve for deferral D77-58, all funds have been made available for obligation for either incurring or liquidating obligations associated with the project. Regarding the $31.8 million proposed for deferral, these funds also are planned for use. That available funding is being and will be used is the critical determination under the Act. In this light, we must presently conclude that no evidence suggests an intention not to utilize (*i.e.*, a rescission) the $31.8 million in the future. Thus, we are satisfied that the deferral has been properly classified. However, should we later determine that the executive branch has altered its plans for the use of the $31.8 million and has decided that a portion of the funds will not be used at all, we will, at that time, take the necessary action to reclassify the impoundment to a rescission.

In addition we are monitoring the executive branch's handling of the $9.8 million involved in the award of subcontracts currently being reviewed by ERDA. If we decide that ERDA's actions regarding the use of these funds or any other CRBRP funds indicate the existence of further budgetary withholdings, we will promptly report the matter to the Congress.

III. PROPRIETY OF THE REVISED CRBRP PLANS

The President's plans to curtail substantially the scope of the LFMBR program at the Clinch River site raise a number of questions that focus upon the legislation that authorized the project. Our analysis of the statutes setting forth the LMBFR activities of AEC and later ERDA is that they authorize the AEC (ERDA) to embark only on clearly delineated lines of effort. In 1969 the effort was to define what ultimately might comprise an LMFBR demonstration project cooperative arrangement. With enactment of the 1970 and 1975 legislation. AEC (ERDA) was authorized to enter into agreements for the research and development, design, construction, and operation of such a reactor.

We conclude that ERDA's proposed expenditure of funds for the curtailed LMFBR program is an intention to expend funds for unauthorized purposes. The most recent (1975) revisions of section 106 of the CRBRP authorization, quoted above, introduced the requirement of JCAE approval of LMFBR program criteria. We believe subsection 106 (a) incorporates by reference into the statute itself the program criteria submitted to and approved by the JCAE. In our view, and we know of no other that contradicts it, the approved program criteria and the major objectives set forth therein are as much as a part of subsection 106(a) as if they were explicitly stated in the statutory language itself. Thus, the currently approved program criteria, and of course the statute itself, establish the CRBRP's ultimate objective—to successfully complete, operate, and demonstrate the usefulness of an LMFBR powerplant.

Subsection 106(b) provides for a 45-day period of waiting during which time the basis or description of a proposed amendment to the cooperative arrangement must lie before the JCAE. This delay, prior to ERDA's executing the amendment it proposes, affords the JCAE and others time to express views on the specific means by which ERDA would accomplish the statutory objective of the program. We believe the proposed amendments contemplated by subsection 106(b) are only those the execution of which lead to fulfilling this goal.

This construction of section 106 is supported both by the language of the statute and by its legislative history. Subsection (b) of section 106 provides not only that the basis or description of the amendment shall lie before the JCAE for 45 days, but also that the amended cooperative agreement ERDA is authorized to execute after the 45-day period is to be entered into "under the authority of subsection (a) of this section." Subsection (a) authorized ERDA to enter into cooperative agreements only in accordance with the statutorily approved program criteria. Those criteria, effectively a part of the statute itself, contemplate the eventual operation of an LMFBR powerplant. Therefore, ERDA's authority to initiate the running of the 45-day period after which it may proceed to implement its plans to amend the cooperative agreement, is constrained to offering to the JCAE a basis or description of amendments that are compatible with the objectives of the program criteria and of course the harmonious objective of the authorization act—operating an LMFBR demonstration plant.

Our construction of section 106 is supported as well by discussions of the JCAE. For example, during debate on the most recently submitted project criteria, the following exchange took place between Representative Moss and Mr. William Parler, Committee Counsel, JCAE:

"Representative Moss. If there is a conflict between the contract [the cooperative arrangement] provisions and the criteria, which controls?

"Mr. PARLER. The criteria and the justification data which the committee [JCAE] approved.

"Representative Moss. In other words, at all times that becomes the dominant factor in interpreting any contract [for the CRBRP]? It must be consistent at all times with the criteria?

"Mr. PARLER. That is my opinion, Mr. Moss yes, sir." 1976 Hearings, page 4.

Moreover, on April 29, 1976, Mr. Parler said:

"* * * If the Committee [JCAE] disapproves the criteria, ERDA cannot proceed with implementation of the modification to the contract." 1976 Hearings, page 521.

In meeting with ERDA representatives on the President's plans to revise the CRBRP objective, we discussed the agency's reading of section 106. ERDA views subsection 106 (b) as a requirement that it begin to implement its plans for proposed amendments, after the expiration of the 45-day period during which the bases for those amendments will have laid before the JCAE irrespective of whether such action supports or destroys the objective of the authorization act. And, because subsection (a) of section 106 does not provide explicit time periods for either ERDA's submitting or the JCAE's approving new program criteria, subsection (a) "defers" to subsection (b). Thus, ERDA believes that its letter of May 19, 1977, was in compliance with the statutory mechanism of subsection (b) and it will, at the end of the 45-day period that began May 19, 1977, trigger both the necessary authority and the obligation to implement its revised plans to curtail the CRBRP. ERDA officials did not disagree that ERDA presently has no authority to revise the document representing the cooperative arrangement in ways that are inconsistent with existing statutory criteria, but apparently believe ERDA may effectively

implement its plans without at the same time constructively revising the cooperative arrangement, an arrangement that calls for accomplishment, not termination, of the CRBRP.

In sum, ERDA views section 106 as conferring authority to begin implementing the cancellation of portions of the CRBRP 45 days after appropriate notice to the JCAE, but also requires that before ERDA formally modifies its contractual document it obtain from the JCAE approval of ERDA's proposed new program.

The practical consequences of ERDA's construction of the law deny the JCAE oversight of the LMFBR so long as the agency does not enter into a fully executed amendment of the formal contractual document. Such construction disregards the wide-ranging and very concrete changes that must be wrought upon the operation of the approved LMFBR program before implementation of the President's plan. ERDA apparently professes to read the relevant statutory language as indicative of congressional disinterest in whether ERDA unilaterally proceeds to change the statutory objective of the program. The simplest reading of that language is to the contrary—that Congress has a strong interest in maintaining the program objective fully in accord with criteria approved by a committee of Congress. ERDA assumes, we think without a sound basis, that the actions it takes preparatory to abandoning the program it has commenced will not be tantamount to an amendment of the cooperative agreement that represents the commitment to go forward with the original program, and therefore that the actual changes, however dramatic, need not be of concern to the JCAE. This view limits the Committee's role to deciding whether to acquiesce in ERDA's subsequent recommendation to change the statutory criteria after ERDA's actions to change the statutory objective are already effectively accomplished, and appropriated funds are already obligated for the purpose of discontinuing instead of fulfilling the program objective of the statutory criteria.

We cannot agree the law was intended to so operate. Our view, as we have stated, is that before ERDA can invoke the authority of subsection (b) to implement new plans that depart in any significant way from the major program objectives of the statutorily approved criteria, it must first, under subsection (a), secure JCAE approval of new criteria. Since we believe section 106(b) contemplates amendments the thrust of which is to fulfill the major objectives of the statutory criteria, we must also conclude that, because the May 19, 1977, proposal does not so accord with the criteria, it did not trigger the 45-day mechanism of section 106(b).

Moreover, while the JCAE's authority to approve criteria is broad, the statute under which the President is acting authorizes only efforts leading to the construction and operation of a reactor. Thus, the President would be compelled to obtain amendatory legislation to section 106 to authorize only the limited and different objective of LMFBR systems design, and to repeal those parts of the statute that speak to efforts beyond such activities.

The legal effect of this conclusion is that the status of the CRBRP remains unchanged, except for the current $31.8 million deferral now before the Congress. Federal funds may not be expended to implement the President's plan of curtailing the program, without appropriate change in the authorization statute and the program criteria.

To implement the President's plan without such necessary authority would be in violation of law since such expenditures would be for purposes inconsistent with those for which the appropriations were made. In this regard, 31 U.S.C. 628 provides:

"Except as otherwise provided by law, *sums appropriated* for the various branches of expenditure in the public service *shall be applied solely to the objects for which they are respectively made, and for no others.*" (Emphasis added.)

We hope the foregoing responds to your questions. A similar letter today is being sent to Senator Baker.

Sincerely yours,

ELMER B. STAATS,
Comptroller General of the United States.

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

Mr. TEAGUE. I yield to the gentleman from Washington.

Mr. McCORMACK. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of S. 1340, to authorize funding for the Department of Energy, for energy research, development, and demonstration programs. I take this opportunity to make my position clear, and I feel certain, to speak for most of those 250 Members of the House, about 60 percent of those voting, who voted in support of the Clinch River breeder project in the authorization legislation (S. 1811) which President Carter so tragically and mistakenly vetoed.

After some consideration, it was decided that no attempt should be made to override the President's veto. However, in order to save the many valuable energy programs authorized in the vetoed bill, we who have been most directly involved in solar and geothermal energy—in fossil and nuclear energy, in energy conservation, in nuclear fission and fusion research and development, in high energy physics, and in basic energy research—agreed that the action we are taking today with S. 1340, reauthorizing all programs except the Clinch River breeder program and the section on uranium enrichment, is the prudent thing to do.

While many energy programs are funded without this bill's authorization (including the Clinch River breeder project), the President's veto, nevertheless, damaged and delayed energy research, development, and demonstration in programs such as the electric vehicle program; loan guarantee programs for clean, synthetic fuels from coal, shale and municipal wastes, and from agricultural, forest and industrial wastes; the automobile propulsion research program for cleaner, more efficient cars and fuels; and a major international study on how to use the nuclear fuel reprocessing plant at Barnwell, S.C., as a demonstration facility for preventing nuclear weapons proliferation, and for handling nuclear wastes safely.

In enacting S. 1340, we are protecting these important programs, but we are not, and I repeat, Mr. Speaker, we are not abandoning the Clinch River breeder project. Our action today is not to be construed as agreement by the Congress to any slowdown in the continuing Clinch River breeder program, or in the basic LMFBR program. The CRBR project does not require authorization this year or any other year in the future. The entire Clinch River breeder project was authorized under the provisions of Public Law 91-273, the Atomic Energy Commission Authorization Act for fiscal year 1971, and according to a statement which Chairman TEAGUE has just received from the Comptroller General, the $80 million appropriated in the supplemental appropriations bill must be spent for the purpose of continuing the Clinch River breeder program whether or not S. 1340 or any other subsequent authorization or legislation is enacted.

Accordingly, we can enact this legislation, without the authorization for Clinch River, while still supporting the Clinch River breeder project, and recognizing that, under the law, the President must proceed with it.

There is another feature of this bill which is important to understand. The conference report on S. 1811 (which the President vetoed) and S. 1340 both direct that a study shall be made of the feasibility of using the nuclear fuel reprocessing plant at Barnwell, S.C., as a demonstration facility to show how, with proper international controls and advanced technologies, it will be possible to reprocess nuclear fuel, while reducing virtually to zero the potential for diversion of fissionable materials for use in nuclear weapons. This study will be carried out under this bill and is of great importance to this Nation and to the world.

Mr. Speaker, I have commented that the President's veto constituted a great tragedy for this country. Even though the President cannot kill the Clinch River project with his veto, the tragic fact is that he has sent a signal to all the world that he intends to attempt to undermind and cripple his Nation's nuclear energy programs upon which we must depend so heavily if we are to provide the energy our Nation will need to meet our requirements later in this century. It comes as no surprise that the stock market has fallen so low and that the value of the American dollar has fallen. The veto will be taken by the underdeveloped nations as a message that the United States will be using its power to preempt the oil they will need in the coming decades, and they will escalate their efforts to find alternate sources, such as nuclear energy. They will seek other friends, such as the Communist countries, who will back them in competing with us for oil and in developing independent nuclear capabilities.

Our friends in Europe will now know that they cannot trust the United States, or depend upon us for help in solving their energy problems—and they will continue to turn away from us, going nuclear with their own nuclear breeder and reprocessing programs, over which we will have no influence or control.

The President's attempts to kill our Nation's breeder studies would, in effect, saddle the next generation of Americans with a lower standard of living, depriving them of information they will need, if they are to have adequate energy during their lifetimes. Such a loss must be prevented, and thus, while S. 1340, which

we are supporting today, contains no authorization for the Clinch River project, we know that work on the breeder will proceed from the funds that have been appropriated. We can support this bill today without damaging the breeder program.

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

Mr. TEAGUE. I yield to the gentleman from Alabama.

Mr. FLOWERS. I thank the gentleman for yielding.

Mr. Speaker, I rise in support of the bill, S. 1340, the DOE Research and Development Authorization for fiscal year 1978. I urge all of my colleagues to support, this legislation as amended. The amendment of Chairman TEAGUE is similar to the bill which passed, S. 1811, earlier in this session by a vote of 366 to 52 but without the money for the Clinch River breeder reactor, the new language for that project, and the provisions for uranium enrichment pricing. These were some of the most controversial matters considered by the House, and were the principal reasons cited by the President for his veto of the bill, S. 1811.

As you will recall, the DOE Research and Development Authorization bill was brought to the floor with the authorization for the Clinch River breeder reactor and with the provisions for uranium enrichment pricing increases. The bill passed the House and the Senate and after conference was sent to the President. The President issued his first veto against this bill and S. 1811 is now in the Senate awaiting decision. Because of the many important new initiatives in this authorization bill, we in the House feel we must act. Without an authorization of these new programs, many will be in jeopardy and may not be funded. This would be a tragedy, because many of the programs in this bill are brand new and are needed by our country for our growing energy demand in the future. At the time that this bill was first considered by the House, I pointed out that this may be the only piece of legislation considered by Congress which will actually increase the supply of energy for our Nation in the future. Without this authorization, we have only the appropriation, which expresses nothing about the congressional intent for programmatic direction.

This amendment is completely neutral regarding the Clinch River breeder reactor. However, I wish to assure my colleagues that by voting for this bill, they will not be voting against the Clinch River breeder reactor. The situation will remain unchanged: without this bill, the CRBR will have an appropriation of $80 million and with this bill, the CRBR will have an appropriation of $80 million, in both cases without an authorization. The President will have to spend this $80 million for the CRBR or, if he refuses, then send a deferral or rescission to the Congress. The appropriation is worded so that the money will have to be spent for the CRBR. There is not one shred of legislative history to support the administration if it tries to spend $1 for termination of the CRBR.

In this authorization we have also struck title V or S. 1811, which would provide the authority for DOE to increase the price it charges for uranium enrichment services. However, in the President's veto message, he complained that this provision contained language which would limit the ability of DOE to recover a fair value of services and also it contained a one-house veto provision which the President did not like. The one-house veto provision would have provided the Congress with a meaningful opportunity to examine the price increases which would be proposed. Both bodies felt that these were important provisions of title V in S. 1811. Therefore, because of the controversial nature of this uranium enrichment pricing provision, we have decided to delete this from the present authorization.

As an example of the new initiatives which are extremely important to our Nation's future energy supply, I would like to discuss both the solvent refined coal demonstration plant and the loan guarantees. This bill contains money for both the solvent refined coal (SRC) solids process and for design of an SRC II liquids process. Both processes will ultimately be very important to our Nation's future energy supply if this bill passes, but we can aggressively proceed with a demonstration plant for the SRC solids process. The SRC solids process has been developed by ERDA, now DOE, since 1964. It was selected as a new demonstration plant in this authorization bill for the following reasons: First, the technology is the furthest developed second generation coal conversion process; second, the pilot plant has operated successfully in making solid fuels; third, the preliminary economic evaluations indicate that the process is competitive. It provides an attractive route for conversion of our abundant high sulfur coal reserves to an environmentally acceptable substitute for imported fuel oil. This plant could be the forerunner of many such facilities to utilize our high sulfur coal reserve and thus cut into our need to import oil.

The loan guarantee authority provided to DOE by this bill will give the Secretary the opportunity to demonstrate emerging technologies at the least possible costs to the Government. Our committee has received hundreds of pages of testimony on the insurmountable problems that companies and municipalities have faced in trying to build the first plant using a new energy technology. It was clear from our hearings that Federal assistance was needed to back up, these first few plants. Without this assistance, our economy would never assimilate these new technologies. By utilizing loan guarantees we have maximized the private contribution to the demonstration of new technologies and at the same time, allowed those technologies to be demonstrated which were sitting idly by.

The proposed amendment to section 7 of the Federal Nonnuclear Energy Research and Development Act gives the Secretary of DOE the authority to make loan guarantees to persons and municipalities wishing to demonstrate these new technologies. All loan guarantees would be issued with controls to protect the Government's interest, the local community, and the environment. However, before a plant can be built this authority to make loan guarantees must be further acted on by Congress. The only immediate impact of this amendment would be to authorize the Secretary to solicit proposals for financial assistance for demonstration of nonnuclear energy technology projects.

In addition, I wish to call to the attention of the Members that this bill also authorizes many of the new initiatives in the President's international nonproliferation fuel cycle evaluation program, which he says are vitally needed in his nonproliferation policy.

There are many other initiatives in this authorization bill, too numerous to mention, before the House at this time. Therefore, I ask that the remainder of my statement be placed in the RECORD. I urge my colleagues to speedily pass this bill, S. 1340, as amended.

NEW INITIATIVES IN FISCAL YEAR 1978 DOE RESEARCH AND DEVELOPMENT AUTHORIZATION

In addition to the initiatives mentioned above, there are a number of new initiatives which the subcommittee that I chair, the Fossil and Nuclear Energy Research, Development and Demonstration Subcommittee worked to develop. They are broken out into the areas as follows:

FOSSIL FUELS

1. The generic loan guarantee program will permit High BTU coal gasification.
2. Clean fuel from coal (SRC) demonstration plant authorization.
3. MHD program operating expenses are doubled from last year.
4. The in-situ coal gasification program is greatly accelerated to move it toward the pilot plant stage.
5. Preliminary feasibility work is included for a multitechnology coal conversion facility.

NUCLEAR

Most of the changes in the nuclear program were to accommodate the President's proliferation concerns.

1. The uranium resource assessment program for determining the extent of our uranium reserves was doubled.
2. The nuclear assessment program which evaluates the potential of alternate fuel cycles was tripled.
3. A new thorium fuel cycle program to match the President's interest in this technology is in the bill.
4. A new Alternate Concept Fuel Cycle program was added to develop an optimized LWR fuel cycle for management of spent fuel consistent with non-proliferation objectives.
5. There is money in the bill for standardization of LWRs, an integral part of President Carter's proposed licensing reform.
6. The bill contains a number of serious new waste management initiatives.
7. Waste solidification facility design funds are in the bill.
8. An International Spent Fuel Disposal program was created to complement the President's non-proliferation policy.

OTHER

1. The bill contains important funding for ISABELLE, the next step in our high energy physics program.
2. It contains aid to certain communities

under the ERDA community assistance programs.

3. It contains new emphasis on involving small business in ERDA programs.

4. A study of the West Valley waste storage problem is included.

5. The decontamination and decommissioning of old nuclear facilities program is doubled over last year.

The bill also improves Congressional oversight by requiring that basic changes in the programs from those changes that are authorized by the Congress require notification to the appropriate Committees in the Congress. In this way the Committee and the Congress are kept involved in any changes in program direction and oversight of the programs and indeed agency responsibility for the continuing or changing of programs is further underlined and its importance emphasized.

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

Mr. TEAGUE. I yield for debate only to the gentleman from New York (Mr. WYDLER).

Mr. WYDLER. Mr. Speaker, I thank the gentleman from Texas for yielding.

Mr. Speaker, I rise in support of S. 1340, Department of Energy Research and Development Authorization for fiscal year 1978. This legislation contains a variety of important initiatives which should not be delayed any longer.

S. 1340 as amended will embody all the programs which went to the President in S. 1811 except Clinch River and the change in uranium enrichment pricing. Although some of this bill's programs have already received appropriations for fiscal year 1978, many others are new or expanded.

At the outset I also want to state that despite this bill's neutrality on the Clinch River breeder reactor demonstration project, I remain firmly committed to the development of the Clinch River reactor and the breeder option.

S. 1340 does continue the strong breeder reactor base program which, absent unforeseen developments, is an essential ingredient in a healthy energy future. It continues strong development programs for each of the other mid- and long-range energy sources such as coal conversion and magnetic fusion at an orderly pace.

This bill will do a good job of balancing nuclear and nonnuclear energy research. Other fossil programs aim at improved combustion technology for coal in its solid form. They include fluidized bed technology and magneto-hydrodynamic (MHD) technology. The program also maintains our effort to develop successful techniques to extract oil from oil shale deposits and to extract gas from heretofore neglected reserves such as Devonian Shale and geopressured zones.

This year's new and expanded initiatives are spread across the energy R. & D. spectrum. In the nuclear area, our efforts to assess the extent of domestic uranium reserves and the potential of alternate fuel cycles will be expanded greatly by this legislation. Programs will be added to research the standardization of light water reactors and to optimize light water reactor fuel cycles' management of spent fuel. The bill also attacks our nuclear waste problems in a variety of ways including an extensive study of the nuclear waste problem at West Valley, N.Y., design work for a nuclear waste solidification facility, and the beginning of an international spent fuel research program.

In the nonnuclear area, there are authorizations included for several new pilot plants for the study of various solar, geothermal, and biomass technologies. Conservation initiatives include acceleration of the Federal development programs for the Stirling engine and other heat engines and a stretching out of the electric vehicle program to bring it into agreement with technological reality. The bill also takes a hard look at municipal waste as an energy source by establishing grants and loan guarantee programs to help municipalities.

I am particularly gratified that this bill finally resolves the generic loan guarantee controversy which has faced Congress for the past 3 years. These guarantees are needed immediately to enable industry to get risky first-of-a-kind coal liquefaction plants on line. We cannot afford further delay in demonstration of technologies which may enable us to substitute some of our abundant coal reserves for petroleum imports.

The bill does not permit the important energy basic research area to slip further. Of particular importance is the $10,500,000 included for engineering design work and preliminary construction activities on the Isabelle accelerator facility at Brookhaven National Laboratory. This facility is a crucial next step in our high energy physics program.

Mr. Speaker S. 1340 is obviously a bill which will have a lasting impact on our energy future. I urge that it be passed into law without further delay.

Mr. TEAGUE. Mr. Speaker, for purpose of debate only, I yield such time as he may consume to the gentleman from New York (Mr. FISH).

Mr. FISH. Mr. Speaker, I want to congratulate the chairman for bringing this bill to the floor in this manner and also to say that I agree with a great deal of what my colleague, the gentleman from New York, has said. We know of the gentleman's diligence and interest in getting energy production in the United States.

I would like to address one question the gentleman raised, however, that has to do with the issue of whether or not the Clinch River money contained in the supplemental bill will mean the program will go ahead. In my judgment, this is not the case. Public Law 95–91, August 4, 1977, created the Department of Energy. ERDA is now a part of the Department of Energy. Section 660 of Public Law 95–91 reads as follows:

> Appropriations to carry out the provisions of this Act shall be subject to annual authorization.

This language I just read is very, very clear. It is unusual to have such language in a bill of the Congress, but it was the House language adopted by the conferees. "Appropriations to carry out the provisions of this Act shall be subject to annual authorization." If that were not clear enough, we have the veto of the Clinch River authorization and by the actions of the chairman in bringing this bill before the House expressly excluding the Clinch River breeder and all its parts and references in this legislation, it seems to me we underscore the intent of Congress that appropriations for the Department of Energy shall not be effective without annual authorization. Lacking the Clinch River authorization before the House at this moment, it is my judgment that appropriations are not binding on the Department of Energy.

The legal issue is not over the power of Congress to appropriate, rather the question is whether the DOE may spend money appropriated in view of section 660 of Public Law 95–91.

Mr. Speaker, I also wish to commend the President for his conviction and to agree that there was no logical alternative but to veto the ERDA authorization bill based on sound reasoning consistent with his economic, energy, and antiproliferation policies.

Again, I must point out that the CRBR is hardly economically justifiable. A cost estimate of $2.2 billion is unthinkable when one considers that the electricity produced by the CRBR results from an 88 percent contribution from the Federal Government with the taxpayer expected to bear any future cost override.

We have established a number of times in the past that this Nation, with its uranium supply, fossil fuels and light water reactors, is not in urgent need of bringing breeder technology on line. In the meantime, the $500 million this year for breeder research can be wisely employed to determine if the particular Clinch River breeder application is indeed the most desirable.

It has also been pointed out that the design and location of the CRBR are questionable. Clinch River has been termed as "one of the worst sites ever selected for a powerplant, based on topography and rock conditions."

Last, Mr. Speaker, the decision to defer the CRBR is completely consistent with the President's proliferation policies. We can hardly hope to get Europeans to reevaluate their positions on exporting plutonium breeder reactors and the concept of a plutonium economy if we ourselves are not willing to reevaluate one questionable project. It simply cannot be born out than a pause suggested by the President is reckless or an irresponsible attitude toward our future energy needs. Rather, it is a prudent and calculated move, consistent with our foreign policy objectives, designed to prove to the Euratom nations that we are willing to take the lead in this decision of monumental consequence and provide strong international disciplines to responsibly control the spread of nuclear materials.

Mr. TEAGUE. Mr. Speaker, I yield such time as she may consume, for purposes of debate only, to the gentlewoman from Tennessee (Mrs. LLOYD).

Mrs. LLOYD of Tennessee. Mr. Speaker, am I correct that our action today in not including specific authorization for Clinch River in this bill is

in no way intended to affect the vitality of the appropriation for the project? In other words, our silence in this bill is not intended to create an inference that the appropriation is without sufficient prerequisite authorization.

Mr. TEAGUE. That is correct.

Mrs. LLOYD of Tennessee. At this time I would like to state there was no Member of Congress more disappointed than I by the veto of the energy bill including the breeder program. I do not think it is a parochial issue; every Member of this body needs the breeder reactor as much as the 3d District of Tennessee. Even with the figures used by the President in evaluating our needs for energy, even with his own figures, we will need the nuclear power that only a breeder reactor can provide, if we are to meet the electrical needs of our country into the 1990's. I view with deep regret the veto of this bill. However, the many vital programs in this legislation will go forward and we will continue working for the breeder reactor and, in accepting this vital legislation we need to pass today, we in no way renounce our support for the Clinch River facility.

Mr. TEAGUE. Mr. Speaker, for purposes of debate only, I yield such time as he may consume to the gentleman from California (Mr. GOLDWATER).

Mr. GOLDWATER. Mr. Speaker, I rise reluctantly in support of this bill to fund the National Energy Agency. I say reluctantly because again I agree with most of my colleagues in the committee that the President's veto of the Clinch River program was ill-advised. I strongly believe it is going to be quite detrimental in the future as far as our search for alternate fuel supplies to fossil fuel, and oil and gas. I am also concerned for the international aspects of this situation and for the growth of nuclear energy for peaceful uses and as a source of energy. Up to this point, the United States has been in the forefront of guiding and directing international policies that pertain to nuclear energy; but recently with the advent of the new administration, we are seeing the United States increasingly losing its influence upon the direction nuclear energy will take as an energy source.

The old axiom, "If you don't play the game you can't make the rules" is certainly alive, especially as it pertains to energy sources such as the breeder reactor. Other nations are going ahead with this program. The United States, with the President's veto, is slipping farther and farther behind.

Hopefully, we all share the concern expressed by the President over various problems of the breeder reactor, but those are solvable. They are problems that can be solved because they are basically technical problems. There are very few technical problems that the United States has not been able to find answers to, but we have got to be willing to tackle those problems.

So, here again we are taking ourselves out of the picture as far as trying to find solutions to the problems that may be created by the breeder reactor. In so doing, we are leaving those solutions to other nations, and thus the direction of the high standards of safety, and new technology to other nations. I think this is going to bode very poorly for the world in general as it pertains to the peaceful use of nuclear energy.

So, Mr. Speaker, I again reluctantly support this proposal before us today. Hopefully, we will be able to, in some way, find a way clear in which we can pursue the breeder reactor in the demonstration phase it is now in.

Mr. Speaker, I rise in support of S. 1340 as an absolute necessity toward continuing with the Nation's urgent energy research and development programs. In doing so, I feel compelled to note the irony in our being here today during this period of so-called energy crisis and having to pass an energy authorization bill for the second time. We are in this unfortunate situation, as all of us know, because the President has vetoed the first authorization bill for the Energy Research and Development Administration that was sent to him after considerable deliberation by the Congress.

This veto was shortsighted and ill-advised for several reasons. First, it came at the worst possible time: when Congress was considering the national energy plan, which supposedly solves a problem which Mr. Carter has said must be addressed with the moral equivalent of war. The failure to proceed with the energy development programs included in the vetoed bill can only be seen as a retreat. This is hardly an auspicious first step toward demonstrating the President's commitment to energy.

Also disappointing, especially in view of Congress' current activities in grappling with the energy program, is the fact that the bill Mr. Carter vetoed represents a significant attempt by Congress to compromise with him on the pace of nuclear energy development. By now rejecting this compromise, the President has taken a "my way or no way" attitude, with the Nation's energy programs suffering as a result.

Among the more subtle aspects of this situation is the fact that just several days after this veto, the President appeared on national television to encourage public support for his energy plan. At that time he highlighted and took credit for the estabilshment of the new Department of Energy, but conveniently neglected to mention that he had just vetoed the first authorization bill for that Department. This kind of logic is not my idea of playing straight with the public.

With regard to the merits of the energy authorization originally reported out by the Science and Technology Committee, and of the second authorization bill before us today, I would like to point out that this committee has a history of developing balanced, well thought out energy legislation. I doubt that I need remind most of my colleagues of the Solar Heating and Cooling Demonstration Act of 1974, which initiated the program to demonstrate the technical and economic feasibility of using solar energy for heating and cooling; the Geothermal Energy Research and Development Act, which provided major impetus and incentives for accelerated development of geothermal energy; the Solar Energy Research, Development and Demonstration Act of 1974, which established many of the major activities now underway on solar research; and the Electric and Hybrid Vehicle Research, Development and Demonstration Act of 1976, which focused effort on the development and acceptance of vehicles that can rely on alternatives to petroleum fuels.

These and other legislative actions reflect credit on the unbiased nature of this committee in pursuing all promising energy concepts. Now that the subject of nuclear research, development, and demonstration has been added to our jurisdiction, we have given the same careful scrutiny to nuclear projects that we have previously given to nonnuclear energy activities, and the bill we reported out reflected that approach.

The fact that we are bringing an energy authorization bill to the floor again, despite the poor treatment it received in its original form by the Executive, is in no small way due to the courage and foresight of our chairman, Congressman OLIN TEAGUE, and of our ranking minority member, Congressman JOHN WYDLER. Both of these gentlemen recognized the urgent need to maintain the momentum of our ongoing energy development activities, and to establish a sound congressional mandate for initiating newly authorized energy projects. In particular, I would note that the legislation now before us includes new energy programs such as the construction of a new geothermal energy demonstration plant, Federal purchases of solar photovoltaic energy systems, loan guarantee authority for synthetic fuel plants and for the conversion of municipal wastes to energy, accelerated development of more efficient automobile propulsion systems, and other activities. We need to get on with these projects, and that is why I support the bill now under consideration.

Mr. Speaker, S. 1340 is one of the most far-reaching pieces of legislation that the House will consider this year. The American public seems to be aware, at last, that we are facing an energy crisis. It is now up to this Congress to provide the leadership that has been lacking in obtaining solutions to that crisis. The Department of Energy authorization bill is an important step in that solution. I urge my colleagues to approve it.

Mr. TEAGUE. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. GARY A. MYERS), for debate only.

(Mr. GARY A. MYERS asked and was given permission to revise and extend his remarks.)

Mr. GARY A. MYERS. Mr. Speaker, I rise to oppose the dropping of the Clinch River breeder reactor for the fiscal year

1978 Department of Energy Research and Development—civilian applications legislation. We worked hard for the passage of S. 1811. We examined every facet of the breeder reactor technology and politics and by a solid majority in the Science and Technology Committee and on the floor of both Houses we came to the twin conclusions that we have no realistic alternative to a major breeder reactor development program and that the Clinch River demonstration plant is the next logical step in the development of this technology.

What has changed since we last voted overwelmingly in favor of Clinch River on October 20? I know of no major energy breakthrough or discovery. The only intervening event between then and now is President Carter's unwillingness to acknowledge either the massive evidence which has developed against his position or the unwillingness of any of the world's civilian nuclear powers to buy his logic.

The prevailing view in light of the GAO letter to Chairman TEAGUE December 5, 1977, concerning H.R. 9375 now appears to be that Clinch River is permanently authorized; that the project can be continued by means of annual appropriations in the absence of annual authorizations. Even so, in my opinion, it is a mistake not to work to override this unfortunate veto.

If an override succeeded, we could put an end to this energy tangent for all time and permit the Science and Technology Committee Energy Subcommittees to focus full time on advancing energy research and development. If we failed to override the veto of a bill whose conference report passed the House by a 366 to 52 margin, we would still leave the present course of action available to us to salvage the committee's new initiatives.

We also should stop to consider the precedent we are setting by giving the Appropriations Committee a mechanism for continuing on an annual basis, major projects that have previously been authorized. Today we have a situation where the authorizing and appropriating committees are in agreement on the necessity of the project, but it is easy to think of situations where this might not be the case. The decision not to take the President on directly does have a price.

Therefore, I feel compelled to vote against S. 1340.

Mr. BROWN of California. Mr. Speaker, the authorization for the CRBR project as originally enacted included general criteria for the project previously submitted by the Atomic Energy Commission for the project to the Joint Committee on Atomic Energy. Those criteria set forth the general types of assistance the agencies were prepared to offer to industry in order to motivate industrial participation and funding in the advancement of this technology. It necessarily was general and anticipated flexibility in working out the ultimate arrangements for the project. Those criteria included a provision allowing revisions to be issued from time to time as the agency saw fit in order to accommodate such changing circumstances.

In addition, in enacting the authorization for the project, we in the Congress built a further mechanism into the authorizing statute—section 106(b))—allowing amendments to whatever arrangements were ultimately worked out with the industry. This was intended to accommodate changes in technology or new developments as they might occur during the course of the project without the requirement for formal congressional enactment of new legislation. This mechanism permitted Congress, through its Joint Committee on Atomic Energy, to maintain oversight of the project and at the same time permit flexible reaction capability to project changes, as might be necessary over the life of the project.

This mechanism for maintaining flexibility, while at the same time providing for appropriate congressional oversight over power reactor demonstration projects, has been used over the years in similar situations. It was recently used effectively in the CRBR project to accommodate major changes in the orientation and responsibility for carrying out the project, including a complete reorientation of the lead responsibility for the project from the industry participants to the Government.

It is apparent from this background that the Congress recognized that it could not foresee precisely the future course of a research and development process involving a technology such as Clinch River breeder reactor, and provided the statutory mechanism which would enable the project to keep pace with developments as they occurred without the necessity of requiring legislation each time. Thus the provisions and intent of the authorization legislation dating back to 1971 for the CRBR project clearly authorize but do not compel the executive branch to complete every stage of the project, and recognize the very real possibility of changes over a long period of time by providing the means through which those changes—including changes which limit the scope of the CRBR project—could be accomplished in a timely manner without formal legislative action.

The bill before us, S. 1340, is silent on the Clinch River breeder reactor project because that was the reason President Carter vetoed the previous authorization bill, S. 1811. It is completely inconsistent and contradictory of the Congress to first say the authorization for the Clinch River reactor project is needed in order to proceed with this project, and then after the authorization is vetoed to say that the authorization in previous years is sufficient to continue the project today. We can all understand the need to put a good face on a political defeat, but we should not allow the legislative history to be distorted beyond the factual situation.

We are in an ambiguous situation, where a project has been authorized in fairly general terms, and then further, more specific authorization is vetoed, but no additional authorization language is adopted. I prefer to see us deauthorize, or terminate the Clinch River breeder reactor project. This would be the most proper course of action to follow, unless the Congress were to change its mind and override the President's veto. However, the Clinch River project can die as easily by the Congress being silent. Favorable action on S. 1340, which I favor, will accomplish the termination of the Clinch River breeder reactor project while allowing the Congress the opportunity to avoid voting on this issue. This appears to be a reasonable compromise solution to our dilemma.

Mr. FUQUA. Mr. Speaker, I rise to support this most important bill, S. 1340, which authorizes appropriations for the newly created Department of Energy for fiscal year 1978.

I want to again commend the work of the chairman of the full committee, the Honorable OLIN E. TEAGUE of Texas and the subcommittee chairman, the Honorable WALTER FLOWER: of Alabama; the Honorable MIKE MCCORMACK of Washington; and the Honorable GEORGE BROWN of California. These men gave many, many hours to this authorization and provided the leadership which brings a most comprehensive bill to the floor and addresses the vital needs of the energy problem today.

Mr. Speaker, I have the honor of chairing the Subcommittee on Space Science Applications, and we are helping where we can in the space activities in supporting our energy needs. Let me cite a few.

First. This is the first bill that authorizes the solar satellite power project. Although the money is modest, it is a beginning. I think we will all see great things from this effort.

Second. The bill authorizes an ocean thermal energy conversion tropic ocean grazing pilot plant which may provide an economic method of producing ammonia and thus release the fertilizer industry from its dependence on natural gas.

Third. A space spinoff in the photovoltaic or solar cell area is contained in the bill which has the potential for clean efficient electrical generation on earth by 1986 at a cost of 50 cents per kilowatt. I would like to publicly commend the work of the NASA people in this area, especially the Jet Propulsion Laboratory in Pasadena, Calif., which is leading the effort in the flat plate area.

Fourth. The wind energy conversion program is being managed by another NASA space center, Lewis Research Center in Cleveland, Ohio. They have the only operating machine looking at this potential energy conversion system.

Fifth. Also contained in the bill is work in solar heating and cooling. This bill firmly supports this program, which has a large scale application in my home State of Florida, by authorizing approximately $100 million.

The committee, and I know the Congress, will continue its efforts in these areas.

Mr. Speaker, in closing—as you can tell by words—I am enthused about this bill because of the technology thrusts it contains. I think we are on the threshold of many research and development

breakthroughs and I urge the support of all the Members of this great body.

Thank you for your support.

Mr. BINGHAM. Mr. Speaker, I am pleased to see that the Science and Technology Committee has acceded to the President's position and has deleted any authorization for continuation of the Clinch River project from this measure. This decision quite obviously represents the sound assessment of the chairman of the Science Committee that he does not have the votes necessary to override the President's veto. The fact that this veto has thus in effect been sustained is an important factor when we consider the legislative history surrounding the appropriation of funds for the Clinch River project. As I stated during the debate over the supplemental appropriation, it is my considered opinion that in the absence of any authorizing legislation, the President is free to expend the $80 million appropriated "for the Clinch River breeder reactor project" as he sees fit. The Clinch River project's proponents' strategy of trying to continue the project by appropriating without authorizing does violence not only to the congressional budget process, but to the Constitution and its express veto powers, as well. So once again, I would urge the President to exercise the option he has to use this $80 million to terminate the Clinch River project.

I am pleased also that the committee has decided to address the President's concerns relating to proposed increases in the price DOE may charge domestic and foreign customers for enrichment services, by deleting these provisions from the legislation altogether. These increases might well have hurt our antiproliferation efforts by needlessly introducing an element of uncertainty into the minds of foreign customers who share our antiproliferation goals and who must rely upon us for fuel services.

I remain deeply concerned about one provision of this legislation, however. This is section 107 of the bill, which unnecessarily limits the flexibility of the executive branch in negotiating antiproliferation accords and agreements for nuclear commerce with foreign nations. Section 107 would introduce another layer of uncertainty into international nuclear commerce by providing for one-house vetos of any executive branch arrangements for the return of foreign nations' spent nuclear fuel to this country for safeguarding. This section was not in the original House bill, but rather was added in the Senate, accepted in conference by House conferees, and now has been added to the bill we are acting upon today.

Section 107 has not been the subject of hearings before House committees or subcommittees, nor has it been the subject of discussion in any House committee reports. It was not discussed on the House floor during consideration of the previous ERDA authorization bill, nor was it addressed by the Science and Technology Committee when they returned to the House on two separate occasions with conference reports on the ERDA bill. Under the procedure followed in the handling of the ERDA bill on the floor today—where the bill was not first referred to the Committee of the Whole House on the State of the Union, as is normal for important legislation in order that amendments can be considered under the 5-minute rule—there is no possibility for the consideration of amendments. In other words, although the resolution from the Rules Committee is not called a "closed rule," the effect is the same.

So the provision we are being asked to pass on today has not been the subject of any House committee consideration nor has it been subject to any House debate. I am deeply concerned that the House should be called upon to act in such a precipitate manner, the more so because section 107 is in direct conflict with the concerns expressed by President Carter in his veto mesage of November 5, wherein he stated that this provision "would impede our nonproliferation goals by imposing limitations on the ability of the United States to provide for storage of spent fuel from foreign reactors in those instances where such an action would serve those goals."

The issue here is not whether or not "the United States is to become the world's nuclear dumping ground." I am not aware of anyone within the administration, or the Congress for that matter, who is suggesting that we pursue such a course. What the President's antiproliferation policies do seek to provide however, is the flexibility to retrieve the sensitive U.S. source spent nuclear fuel from volatile stiuations where it might potentially be misused. We are especially concerned that several nations store U.S. source spent fuel in unsafeguarded facilities.

By providing for a one-House veto over any arrangements which the executive branch might make for safe disposition of this spent fuel, the proponents of section 107 are compromising from the outset the certainty that accords for safe storage of foreign spent fuel will be swiftly implemented. This provision may prove especially destructive to U.S. efforts to guarantee return of spent fuel to the United States where the most politically attractive alternative available to a foreign customer might seem to be to have the spent fuel reprocessed, thereby giving rise to increased international commerce in plutonium, a nuclear weapons grade material.

This amendment, which puts in doubt the reliability of the United States as a supplier of nuclear fuel services to nations which share our antiproliferation policies, has been pushed—surprisingly—by Members of the other body who are frequently in sympathy with nuclear industry interests, and who are quick to uphold the necessity of our "reliable supplier" position in other instances. It is most ironic that this same amendment has been endorsed by those of an opposite viewpoint, who believe that the answer to the proliferation crisis is nuclear isolationism and that the United States should place a moratorium on all nuclear exports. As one who does not share either view, I find it most unfortunate that this provision, which will serve only to reduce the reliability of the United States as a supplier of nuclear fuel services, is being railroaded through the House in this fashion.

Mr. TEAGUE. Mr. Speaker, I move the previous question on the amendment in the nature of a substitute.

The previous question was ordered.

The SPEAKER. The question is on the amendment in the nature of a substitute offered by the gentleman from Texas (Mr. TEAGUE).

The amendment in the nature of a substitute was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

AMENDMENT OFFERED BY MR. TEAGUE

Mr. TEAGUE. Mr. Speaker, I offer an amendment to the title.

The Clerk read as follows:

Title amendment offered by Mr. TEAGUE: Amend the title so as to read: To authorize appropriations to the Department of Energy, for energy research, development, and demonstration, and related programs in accordance with section 261 of the Atomic Energy Act of 1954, as amended, section 305 of the Energy Reorganization Act of 1974, and section 16 of the Federal Nonnuclear Energy Research and Development Act of 1974, and for other purposes.

The title amendment was agreed to.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H.R. 3722, AUTHORIZING APPROPRIATIONS FOR THE SECURITIES AND EXCHANGE COMMISSION FOR FISCAL YEAR 1978

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H.R. 3722) to amend the Securities Exchange Act of 1934 to authorize appropriations for the Securities and Exchange Commission for fiscal year 1978.

The Clerk read the title of the bill.

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

There was no objection.

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the statement of the managers be read in lieu of the report.

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

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 6, 1977.)

Mr. STAGGERS (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

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

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, will the gentleman explain to the House what he is doing?

Mr. STAGGERS. Mr. Speaker, if the gentleman will yield, the conference report on H.R. 3722 provides for an author-

ization for the Securities and Exchange Commission of $63,750,000. The conferees recognize that the Commission can effectively discharge its responsibilities under the Federal securities laws only if its presently overburdened staff is modestly increased and only if it is provided sufficient funds to acquire additional space to relieve overcrowded conditions in its headquarters building. Accordingly, the conferees believe that the Commission's budget authorization request for fiscal 1978 is necessary and fully justified.

Mr. ROUSSELOT. Mr. Speaker, further reserving the right to object, can the gentleman assure us that it is not much different from the House version?

Mr. STAGGERS. It is less than the House version was when it passed here. It is just a simple authorization, and the conference report has already been passed by the Senate.

Mr. ROUSSELOT. Less money?

Mr. STAGGERS. Less money, that is correct.

Mr. ROUSSELOT. Mr. Speaker, I thank the gentleman, and I withdraw my reservation of objection.

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

There was no objection.

The SPEAKER. The gentleman from West Virginia (Mr. STAGGERS) is recognized for 30 minutes.

Mr. STAGGERS. Mr. Speaker, I have no requests for time on this side of the House.

The SPEAKER. The gentleman from Ohio (Mr. DEVINE) is recognized for 30 minutes.

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

Mr. Speaker, I concur in the remarks of the gentleman from West Virginia. This is a reduction of a little over $3 million from the bill previously passed by the House. It is a savings. I would urge the House to adopt the conference report.

Mr. STAGGERS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

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

Mr. STAGGERS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 348, nays 2, not voting 84, as follows:

[Roll No. 772]

YEAS—348

Abdnor
Addabbo
Akaka
Allen
Ammerman
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Applegate
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badham
Bafalis
Baldus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Benjamin
Bennett
Bevill
Biaggi
Bingham
Blanchard
Blouin
Boggs
Boland
Bonior
Bonker
Bowen
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Caputo
Carney
Carr
Carter
Cavanaugh
Cederberg
Chappell
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Coleman
Collins, Ill.
Conable
Conte
Corcoran
Corman
Cornell
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Delaney
Dellums
Derrick
Derwinski
Devine
Dicks
Diggs
Dingell
Dodd
Dornan
Drinan
Duncan, Oreg.
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Calif.
Edwards, Okla.
Eilberg
Emery
Evans, Colo.
Evans, Del.
Evans, Ind.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Flippo
Flood
Florio
Flowers
Flynt
Foley
Ford, Mich.
Fountain
Fowler
Fraser
Frenzel
Gaydos
Giaimo
Gilman
Ginn
Glickman
Goldwater
Gonzalez
Goodling
Gore
Gradison
Grassley
Gudger
Guyer
Hagedorn
Hamilton
Hammer-schmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Heckler
Hefner
Heftel
Hightower
Holland
Hollenbeck
Holt
Holtzman
Horton
Howard
Hubbard
Huckaby
Hughes
Hyde
Ichord
Ireland
Jacobs
Jeffords
Jenkins
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kemp
Ketchum
Keys
Kildee
Kindness
Kostmayer
Krebs
LaFalce
Lagomarsino
Latta
Le Fante
Leach
Lederer
Leggett
Lehman
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCormack
McDade
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Mann
Marks
Marlenee
Martin
Mazzoli
Meyner
Michel
Mikva
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moore
Moorhead, Calif.
Moorhead, Pa.
Mottl
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Gary
Myers, John
Myers, Michael
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Panetta
Patten
Pattison
Pease
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Pursell
Rangel
Regula
Reuss
Rhodes
Richmond
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Rooney
Rose
Rousselot
Roybal
Rudd
Runnels
Ryan
Santini
Satterfield
Schroeder
Schulze
Seiberling
Sharp
Shipley
Shuster
Sikes
Simon
Sisk
Skelton
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
St Germain
Staggers
Stangeland
Stanton
Stark
Steed
Steers
Steiger
Stockman
Stokes
Stratton
Studds
Stump
Taylor
Teague
Thompson
Thone
Thornton
Traxler
Treen
Trible
Tsongas
Tucker
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Waggonner
Walgren
Walsh
Wampler
Watkins
Weiss
White
Whitehurst
Whitley
Whitten
Wiggins
Wilson, Tex.
Winn
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Mo.
Young, Tex.
Zablocki
Zeferetti

NAYS—2

Collins, Tex.
McDonald

NOT VOTING—84

Alexander
Ambro
Badillo
Barnard
Baucus
Beilenson
Bolling
Breaux
Broyhill
Burton, John
Burton, Phillip
Chisholm
Clay
Conyers
Cornwell
Cotter
Crane
Cunningham
Danielson
Dent
Dickinson
Downey
Edwards, Ala.
English
Erlenborn
Ertel
Evans, Ga.
Fithian
Ford, Tenn.
Forsythe
Frey
Fuqua
Gammage
Gephardt
Gibbons
Hall
Hawkins
Hillis
Kazen
Kelly
Koch
Krueger
Lent
Livingston
Lundine
McCloskey
Markey
Marriott
Mathis
Mattox
Meeds
Metcalfe
Mikulski
Milford
Montgomery
Moss
Nichols
Patterson
Quayle
Quie
Quillen
Rahall
Railsback
Risenhoover
Roncalio
Rosenthal
Rostenkowski
Ruppe
Russo
Sarasin
Sawyer
Scheuer
Sebelius
Symms
Walker
Waxman
Weaver
Whalen
Wilson, Bob
Wilson, C. H.
Wirth
Wolff
Wright
Young, Alaska

The Clerk announced the following pairs:

Mr. Kazen with Mr. Alexander.
Mr. Rahall with Mr. Frey.
Mr. Ambro with Mr. Crane.
Mr. Cornwell with Mr. Gephardt.
Mr. Cotter with Mr. McCloskey.
Mr. Danielson with Mr. Quayle.
Mr. Rosenthal with Mr. Railsback.
Mr. Rostenkowski with Mr. Ruppe.
Mr. Koch with Mr. Whalen.
Mr. Hawkins with Mr. Young of Alaska.
Mr. Russo with Mr. Risenhoover.
Mr. Charles H. Wilson of California with Mr. Forsythe.
Mr. Fuqua with Mr. Bob Wilson.
Mr. Weaver with Mr. Markey.
Mr. Wolff with Mr. Symms.
Mr. Mattox with Mr. Milford.
Mr. Downey with Mr. Kelly.
Mr. Wright with Mr. Moss.
Mr. Meeds with Mr. Quillen.
Mr. Mathis with Mr. Roncalio.
Mr. Nichols with Mr. Walker.
Mr. Gammage with Mr. Lent.
Mr. Gibbons with Mr. Scheuer.
Mr. Hall with Mr. Sebelius.
Mr. Metcalfe with Mr. Krueger.
Mr. Montgomery with Mr. Livingston.
Mr. Evans of Georgia with Mr. Hillis.
Mr. Fithian with Mr. Sawyer.
Mr. Ertel with Mr. Marriott.
Mr. English with Mr. Clay.
Ms. Mikulski with Mr. Dent.
Mr. Waxman with Mr. Dickinson.
Mr. Patterson of California with Mr. Edwards of Alabama.
Mr. Ford of Tennessee with Mr. Sarasin.
Mr. Breaux with Mr. Erlenborn.
Mr. Conyers with Mr. Lundine.
Mr. Wirth with Mr. Barnard.
Mr. Baucus with Mr. Badillo.
Mr. Beilenson with Mr. Broyhill.
Mr. John Burton with Ms. Chisholm.
Mr. Phillip Burton with Mr. Cunningham.

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

FOREIGN CORRUPT PRACTICES ACT OF 1977

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent for the immediate

consideration of the conference report on the Senate bill (S. 305) to amend the Securities and Exchange Act of 1934 to require issuers of securities registered pursuant to section 12 of such act to maintain accurate records, to prohibit certain bribes, and for other purposes.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

Mr. ROUSSELOT. Mr. Speaker, reserving the right to object, would the distinguished chairman of the committee explain what this conference is all about?

Mr. STAGGERS. I will be happy to, if the gentleman will yield.

Mr. ROUSSELOT. I will be happy to yield.

Mr. STAGGERS. There is no added cost, no authorization whatsoever.

Mr. ROUSSELOT. And it is not substantially changed from the version that left the House?

Mr. STAGGERS. No; we took part of the Senate bill, and they took part of our bill. It is substantially the same as it was when it passed here.

Mr. ROUSSELOT. Will the gentleman explain briefly the changes that the Senate suggested.

Mr. STAGGERS. The Senate added a provision which would have required U.S. corporations which file with the SEC to keep accurate books and records, and so forth, and we accepted that. We made two minor changes that had to go with it, that had to satisfy the accountants. There was some question about some of the things that they were perturbed about. We removed those and the section that had to do with that. Then we took section 2 of the Senate bill, the complete section, which expanded the disclosure requirements presently applicable to investors in equity securities, particularly as those requirements affect the disclosure of foreign investments in the United States. Those are the principal changes.

Mr. ROUSSELOT. I thank the gentleman.

Mr. STAGGERS. Mr. Speaker, the conference report on S. 305 adopts virtually all of the significant provisions of the House-passed legislation and several meritorious provisions from the Senate-passed bill.

The Senate-passed bill contained a provision, not included in the House version, which would have required U.S. corporations which file with the SEC to keep accurate books and records and to maintain internal accounting controls sufficient to provide assurances that the company's transactions are properly recorded and that its assets are accounted for.

With two relatively minor changes, the House conferees proposed to recede to the Senate and adopt this provision. It was not originally included in the House-passed bill because it was felt that this was an area better left to SEC rulemaking. However, its adoption in the conference was supported by the SEC and the accountants.

In order to enforce these accounting standards the Senate bill contained provisions, also not in the House-passed bill, making it unlawful for officers and directors of the company knowingly to falsify the company's books and records or to deceive an accountant in connection with his examination.

Again, the House bill did not contain this provision because the SEC had already proposed rules in this area.

Further, the Senate bill contained language exempting from the corporate accounting provisions activities by intelligence agencies involving national security. The House conferees suggested certain changes which would require that such activities be pursuant to the specific written directive of the head of the intelligence agency and pursuant to Presidential authority. Moreover, a summary of the matters covered by the directive would be transmitted to the congressional Intelligence Oversight Committees annually. The Senate agreed to the House-proposed changes.

The conference report adopts the House provision prohibiting corporations subject to SEC jurisdiction and other domestic concerns from making payments, promises of payment, or authorization of payment of anything of value to any foreign official, foreign political party, candidate for foreign political office, or intermediary where there is a corrupt purpose. The Senate-passed provision which define corrupt purpose was vague and contained several loopholes. The House version which provided that the corrupt purpose must be to influence any official act or decision of the recipient or to induce the recipient to use his influence to affect a Government act or decision, with the modification that the bribe must also be to retain or obtain business.

Criminal penalties of up to 5 years imprisonment and/or a fine of no more than $10,000 would be applied to individuals who violate this proscription. The Senate receded to the House's corporate penalty of up to $1,000,000 in lieu of $500,000 penalty. The House definition of domestic concern included foreign subsidiaries of U.S. companies, while the Senate definition did not. The House receded to the Senate on this provision. Although foreign subsidiaries themselves would not be reached under the conference report, U.S. companies which make bribes through foreign subsidiaries would be covered.

Violations by domestic concerns would be investigated and prosecuted by the Justice Department. Violations by companies subject to SEC jurisdiction would be investigated by the SEC, but prosecuted by the Justice Department. Since the Securities Exchange Act of 1934 provides the SEC with injunctive authority to enforce the provisions with with respect to companies which file with the SEC, the Senate receded to the House provision providing similar authority for the Justice Department to enforce this prohibition with respect to other domestic concerns.

Title II of the Senate-passed bill expanded the disclosure requirements presently applicable to investors in equity securities, particularly as those requirements affect the disclosure of foreign investments in the United States. It also implemented the SEC's legislative recommendations arising from its recent street name study, and essentially adopts rules already proposed by the SEC. The House conferees receded to the Senate on this provision, which would fill existing legislative gaps, help improve shareholder communications, and provide us with a more accurate picture of who controls U.S. corporations.

Mr. Speaker, I believe that we have a good compromise bill which includes almost all of the House-passed provisions as well as several related meritorious provisions from the Senate bill. On behalf of the House conferees, I urge the conference report's passage.

Mr. ROUSSELOT. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the statement of the managers be read in lieu of the report.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of December 6, 1977.)

Mr. STAGGERS (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The SPEAKER pro tempore. The gentleman from West Virginia (Mr. STAGGERS) and the gentleman from Ohio (Mr. DEVINE) will be recognized for 30 minutes each.

The Chair recognizes the gentleman from West Virginia (Mr. STAGGERS).

Mr. STAGGERS. Mr. Speaker, I have no requests for time on this side.

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

Mr. Speaker, as one of the conferees who worked on this legislation I would urge my colleagues to act favorably on the conference report on S. 305. The subcommittee chairman has described in detail the provisions of the conference report and I will not repeat them in detail. I would, however, like to highlight several of the more important provisions.

For example, section 102 of the conference report requires that companies subject to the jurisdiction of the Securities and Exchange Commission make and keep accurate books and records and devise internal accounting controls to guarantee that transactions are executed only with management's authorization. The House-passed bill did not contain any provisions dealing with accounting standards; the House had no position on this issue at all. The Senate on the other hand included not only section 102, but provisions which would have prohibited a company from falsifying books

and records or making false statements to accountants. Although we note that the SEC has initiated a rulemaking proceeding in this area, questions have been raised as to the Commission's authority to issue such rules. I want to emphasize that the conferees took no position on this question.

Sections 103 and 104 would prohibit U.S. corporations from making payments to foreign government officials for a corrupt purpose. For example, section 103 prohibits a company subject to the jurisdiction of the SEC from using interstate commerce to make a bribe to a foreign official in order to obtain or retain business. Section 104 prohibits all other domestic concerns from making these kinds of bribes and vests enforcement responsibilities including the authority to seek injunctions, in the Department of Justice. The bill specifically excludes so-called facilitating payments made to low-level officials whose duties are primarily ministerial or clerical. The bill also recognizes the enforcement problems which are inherent in trying to extend the reach of this legislation to foreign subsidiaries of the U.S. corporations and consequently foreign subsidiaries have not been included within the ambit of the bill. Finally, I want to point out that the conference report vests enforcement responsibility in the SEC and Justice Department and the conferees did not intend to create a private right of action.

Finally, title II of the legislation would authorize the SEC to promulgate rules requiring any person who acquires more than 5 percent of the beneficial ownership of the company to inform the issuer of the securities and the SEC of that person's identity, residence, and citizenship and the number and description of shares in which that person has an interest. The conferees agreed to drop provisions in the Senate bill which would have authorized the SEC to impose requirements for reporting extensive historical ownership information and other information deemed necessary by the SEC. It is our hope that the Commission in promulgating those rules would provide for the least burdensome possible reporting requirements.

In conclusion, Mr. Speaker, I think that the conference report on S. 305 is a good compromise between the House position and the Senate position and I would urge the Members of this body to vote affirmatively so that we can send this legislation on to the President as quickly as possible.

Mr. Speaker, I have no requests for time, and reserve the balance of my time.

Mr. STAGGERS. Mr. Speaker, I yield briefly to the gentleman from Texas (Mr. ECKHARDT) and before that, I would like to compliment him and all of the members of the committee for working out the bill and the conference report with the Senate. I know the importance of the bill. I do want to compliment the gentleman and all the members of the committee and of the staff who worked on the bill.

Mr. Speaker, I yield to the gentleman from Texas (Mr. ECKHARDT).

Mr. ECKHARDT. Mr. Speaker, the conference report before us today is one of the more important pieces of legislation to be considered by the Congress this year. It is legislation designed to prohibit bribery by U.S. companies of officials of foreign governments and is in response to recent disclosures by a large number of American companies of having paid over $300 million in corporate funds to foreign officials. While some funds were given simply for the privilege of doing business in a particular foreign country, other funds were given for the purpose of improperly obtaining business and influencing the decisions of foreign governments. The disclosure of these payments has tarnished the reputation of American business in the international community, and has created serious repercussions for the governments of a number of foreign countries.

The legislation is supported by the administration, the Securities and Exchange Commission, the American Institute of Certified Public Accountants, and the business community in general.

Briefly, the bill would require U.S. companies subject to the jurisdiction of the SEC to make and keep books, records, and accounts which in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the issuer. In addition, the bill contains provisions requiring these companies to devise and maintain systems of internal accounting controls sufficient to provide reasonable assurances that, among other things, transactions are recorded as necessary to maintain accountability for assets. These provisions should effectively prevent off-the-books slush funds and payments of bribes.

The bill agreed to by the conferees does not contain two provisions in the Senate bill that would have made it an offense "knowingly" to falsify corporate books and records, or "knowingly" to make a false or misleading statement to an auditor.

The Commission has published proposed rules for public comment, however, which would, if finally adopted, promulgate the substance of those provisions as Commission rules, but without the requirement that the conduct, to be actionable, be performed "knowingly."

In my judgment, the deleted proposals involve sensitive and specialized issues best left to the discretion of the Commission. As the Commission's enforcement program has demonstrated, these are matters as to which a hard-and-fast legislative resolution is inappropriate; these issues are, therefore, better suited to Commission rulemaking to frame the language best adapted to achieving the objectives contained in the deleted proposals. Commission rulemaking would permit the Commission to alter any rules it may adopt to accommodate changed circumstances or to deal with other difficulties not presently perceived without the necessity of seeking additional legislation.

I am aware, in this regard, that certain questions have been raised concerning the Commission's authority to promulgate the proposed rules concerning the falsification of corporate books and records and the making of false or misleading statements to an auditor. I believe these questions are without merit. The Commission's proposals, in large measure, codify existing law rather than create new obligations. One who falsifies corporate records or deceives corporate auditors, for example, very likely has engaged in a violation of the existing antifraud provisions of the Federal securities laws. After reviewing the analysis of the Commission's authority to promulgate the rules contained in the Commission release issued at the time the rules were proposed for comment, it is my view that the Commission may promulgate the rules under its existing rulemaking authority. In this regard, it is significant that Section 23(a) of the Securities Exchange Act authorizes the Commission, among other things, "to make such rules and regulations as may be necessary or appropriate to implement the provisions * * *" of the Act "or for the execution of the functions vested in the * * *" the Commission by the Act. The Commission's adoption of the proposed rules concerning these matters would, in my judgment, reflect a responsible and appropriate use by the Commission of its rulemaking authority.

The report of the House committee concerning this legislation makes clear why the House conferees could not accept the two provisions contained in the Senate bill that would have required proof that violations had occurred knowingly. That requirement that might be construed as the equivalent of a showing of scienter. The report of your committee concerning the House bill pointed out, however—pages 10–11—that "the committee intends [that] no proof of scienter be required in a Commission enforcement action brought under * * * any * * * provision of the federal securities laws." The report also stated that "the appellate courts quite properly have never required proof of scienter in any of the Commission's own enforcement proceedings." Because the Commission has taken the lead by its rulemaking proposals, and because the conferees did not intend to enmesh themselves in any fundamental change in the lack of any need for the Commission to prove scienter in its own enforcement actions, the deletion of the two provisions from the proposed legislation better leaves the matter to the discretion of the Commission.

The legislation exempts from the corporate accounting provisions activities by intelligence agencies involving national security. Such activities must be pursuant to the specific written directive of the head of the intelligence agency and pursuant to presidential authority. Moreover, annually, a summary of the matters covered by the directives would be transmitted to the congressional intelligence oversight committees.

The focal point of the legislation is the provision which would make it unlawful for any U.S. company to use the means

of interstate commerce in furtherance of an offer, payment, promise to pay, or authorization of payment of anything of value directly or indirectly to any foreign official, foreign political party, or candidate for foreign political office. The purpose of the payment must be to influence any act or decision of a foreign government official or to induce such official to use his influence to affect a government act or decision so as to assist U.S. companies in obtaining, retaining, or directing business to any person. So-called "grease" or "facilitating" payments to persons whose functions are essentially ministerial or clerical would be excluded from the bill's prohibitions.

The penalties for violations of these provisions are up to $1,000,000 for corporations and $10,000 and/or 5 years imprisonment for any officer, director, employee or shareholder acting on behalf of the corporation. It should be noted that any employee's or agent's liability is predicated upon a finding that the corporation has violated the provisions of the act.

The Justice Department would prosecute all criminal violations of the act. However, with respect to those companies which file reports with the SEC, that agency would have principal investigative authority.

Because of certain jurisdictional and diplomatic difficulties the bill does not encompass foreign subsidiaries of U.S. corporations, through which many questionable payments have been made in the past. However, the scope of the bill is sufficient to reach any U.S. company which uses its foreign subsidiary as a conduit for such payments.

Title II of the bill contains provisions which deal with disclosure of the beneficial ownership of American corporations, and would expand the disclosure requirements applicable to investors in the United States. These provisions would implement the Commission's legislative recommendations arising from its recent street name study, which was mandated by the Securities Acts Amendments of 1975.

These provisions would require persons owning, directly or indirectly, 5 percent or more of any registered security to disclose: First, their identity, residence and citizenship; and second, the number and description of shares in which such person has an interest. The principal effect of the proposal would be to remove existing exemptions for persons who acquired ownership of more than 5 percent of an issuer's securities prior to 1970 and for persons who acquire less than 2 percent of an issuer's securities in any 12-month period.

The bill also requires the Commission to report to Congress, within 30 months after enactment of the legislation, concerning the effectiveness of the beneficial ownership reporting requirements and "the desirability and feasibility of reducing or otherwise modifying" the 5 percent disclosure threshold.

Mr. Speaker, the conference report will enable us to effectively deal with the widespread and serious problem of corporate off-book slush funds and foreign bribery. I urge my colleagues to approve the conference report.

Mr. STAGGERS. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

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

Mr. PATTEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore (Mr. DAN DANIEL). Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 349, nays 0, not voting 85, as follows:

[Roll No. 773]

YEAS—349

Abdnor
Addabbo
Akaka
Alexander
Allen
Ammerman
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Andrews, N. Dak.
Annunzio
Applegate
Archer
Armstrong
Ashbrook
Ashley
Aspin
AuCoin
Badham
Bafalis
Baldus
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Benjamin
Bennett
Bevill
Biaggi
Bingham
Blanchard
Blouin
Boggs
Boland
Bonior
Bonker
Bowen
Brademas
Breaux
Breckinridge
Brinkley
Brodhead
Brooks
Broomfield
Brown, Calif.
Brown, Mich.
Brown, Ohio
Buchanan
Burgener
Burke, Calif.
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Caputo
Carney
Carr
Carter
Cavanaugh
Cederberg
Chappell
Clausen, Don H.
Clawson, Del
Cleveland
Cochran
Cohen
Coleman
Collins, Ill.
Collins, Tex.
Conable
Conte
Corcoran
Corman
Cornell
Coughlin
D'Amours
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Delaney
Dellums
Derrick
Derwinski
Devine
Dicks
Dingell
Dodd
Dornan
Drinan
Duncan, Tenn.
Early
Eckhardt
Edgar
Edwards, Calif.
Edwards, Okla.
Eilberg
Emery
Evans, Colo.
Evans, Del.
Evans, Ind.
Fary
Fascell
Fenwick
Findley
Fish
Fisher
Flippo
Flood
Florio
Flowers
Flynt
Foley
Ford, Mich.
Fountain
Fowler
Fraser
Frenzel
Gaydos
Gephardt
Giaimo
Gilman
Ginn
Glickman
Goldwater
Gonzalez
Goodling
Gore
Gradison
Grassley
Gudger
Guyer
Hagedorn
Hamilton
Hammer-schmidt
Hanley
Hannaford
Hansen
Harkin
Harrington
Harris
Harsha
Heckler
Hefner
Heftel
Hightower
Holland
Hollenbeck
Holt
Holtzman
Howard
Hubbard
Huckaby
Hughes
Hyde
Ichord
Ireland
Jacobs
Jeffords
Jenkins
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kemp
Ketchum
Keys
Kildee
Kindness
Kostmayer
Krebs
LaFalce
Lagomarsino
Latta
Le Fante
Leach
Lederer
Leggett
Lehman
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Lujan
Luken
McClory
McCormack
McDade
McDonald
McEwen
McFall
McHugh
McKay
McKinney
Madigan
Maguire
Mahon
Mann
Marks
Marlenee
Martin
Mazzoli
Meyner
Michel
Mikva
Miller, Calif.
Miller, Ohio
Mineta
Minish
Mitchell, Md.
Mitchell, N.Y.
Moakley
Moffett
Mollohan
Moore
Moorhead, Calif.
Moorhead, Pa.
Mottl
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Gary
Myers, John
Myers, Michael
Natcher
Neal
Nedzi
Nix
Nolan
Nowak
O'Brien
Oakar
Oberstar
Obey
Ottinger
Panetta
Patten
Pattison
Pease
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Pressler
Preyer
Price
Pritchard
Pursell
Rangel
Regula
Reuss
Rhodes
Richmond
Rinaldo
Roberts
Robinson
Rodino
Roe
Rogers
Rooney
Rose
Rousselot
Roybal
Rudd
Ryan
Santini
Satterfield
Schroeder
Schulze
Seiberling
Sharp
Shipley
Shuster
Sikes
Simon
Sisk
Skelton
Skubitz
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Solarz
Spellman
Spence
St Germain
Staggers
Stangeland
Stanton
Stark
Steed
Steers
Steiger
Stockman
Stokes
Stratton
Studds
Stump
Taylor
Teague
Thompson
Thone
Thornton
Traxler
Treen
Trible
Tsongas
Tucker
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vento
Volkmer
Waggonner
Walgren
Walsh
Wampler
Watkins
Weiss
White
Whitehurst
Whitley
Whitten
Wiggins
Wilson, Tex.
Winn
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Mo.
Young, Tex.
Zablocki
Zeferetti

NAYS—0

NOT VOTING—85

Ambro
Badillo
Barnard
Baucus
Beilenson
Bolling
Broyhill
Burton, John
Burton, Phillip
Chisholm
Clay
Conyers
Cornwell
Cotter
Crane
Cunningham
Danielson
Dent
Dickinson
Diggs
Downey
Duncan, Oreg.
Edwards, Ala.
English
Erlenborn
Ertel
Evans, Ga.
Fithian
Ford, Tenn.
Forsythe
Frey
Fuqua
Gammage
Gibbons
Hall
Hawkins
Hillis
Horton
Kazen
Kelly
Koch
Krueger
Lent
Livingston
Lundine
McCloskey
Markey
Marriott
Mathis
Mattox
Meeds
Metcalfe
Mikulski
Milford
Montgomery
Moss
Nichols
Patterson
Quayle
Quie
Quillen
Rahall
Railsback
Risenhoover
Roncalio
Rosenthal
Rostenkowski
Runnels
Ruppe
Russo
Sarasin
Sawyer
Scheuer
Sebelius
Symms
Walker
Waxman
Weaver
Whalen
Wilson, Bob
Wilson, C. H.
Wirth
Wolff
Wright
Young, Alaska

The Clerk announced the following pairs:

Mr. Kazen with Mr. Duncan of Oregon.
Mr. Rahall with Frey.
Mr. Ambro with Mr. Crane.
Mr. Cotter with Mr. McCloskey.
Mr. Danielson with Mr. Quayle.
Mr. Rosenthal with Mr. Railsback.
Mr. Rostenkowski with Mr. Ruppe.
Mr. Koch with Mr. Whalen.
Mr. Hawkins with Mr. Young of Alaska.
Mr. Russo with Mr. Risenhoover.
Mr. Charles H. Wilson of California with Mr. Forsythe.
Mr. Fuqua with Mr. Bob Wilson.
Mr. Weaver with Mr. Markey.
Mr. Wolff with Mr. Symms.
Mr. Mattox with Mr. Milford.

Mr. Downey with Mr. Kelly.
Mr. Wright with Mr. Moss.
Mr. Meeds with Mr. Quillen.
Mr. Mathis with Mr. Roncalio.
Mr. Nichols with Mr. Walker.
Mr. Gammage with Mr. Lent.
Mr. Gibbons with Mr. Scheuer.
Mr. Hall with Mr. Sebelius.
Mr. Metcalfe with Mr. Krueger.
Mr. Montgomery with Mr. Livingston.
Mr. Evans of Georgia with Mr. Hillis.
Mr. Fithian with Mr. Sawyer.
Mr. Ertel with Mr. Marriott.
Mr. English with Mr. Clay.
Ms. Mikulski with Mr. Dent.
Mr. Waxman with Mr. Dickinson.
Mr. Patterson of California with Mr. Edwards of Alabama.
Mr. Ford of Tennessee with Mr. Sarasin.
Mr. Diggs with Mr. Erlenborn.
Mr. Conyers with Mr. Lundine.
Mr. Wirth with Mr. Barnard.
Mr. Baucus with Mr. Badillo.
Mr. Beilenson with Mr. Broyhill.
Mr. John Burton with Mr. Cunningham.
Mr. Phillip Burton with Ms. Chisholm.
Mr. Horton with Mr. Quie.

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

(Mr. RHODES asked and was given permission to address the House for 1 minute.)

Mr. RHODES. Mr. Speaker, I take this time to inquire of the distinguished majority whip as to whether he can tell us who is on first base; in other words, what the further program of the House will be.

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

Mr. RHODES. I yield to the gentleman from Indiana.

Mr. BRADEMAS. Mr. Speaker, I may say to the distinguished minority leader that the next item of business will be a consideration of the rule and then, hopefully, a vote on the continuing resolution with which we have been seized during the last several days.

Then the House, assuming that we pass that, would consider tomorrow H.R. 9378, to concur in the Senate amendment on the Employee Retirement Income Security Act of 1974.

Then we would hope, by later in the afternoon today, to hear from the distinguished chairman of the Committee on Ways and Means, the gentleman from Oregon (Mr. ULLMAN), the status of the social security financing amendments and get a judgment as to whether or not we would be voting on that measure within the foreseeable future.

Mr. RHODES. Am I to gather, from the statement just made by the gentleman, that there is a possibility of a session on Friday?

Mr. BRADEMAS. If the gentleman will yield, only pro forma.

Mr. RHODES. So that if the social security conference report is not ready for consideration by tomorrow, the consideration of such report would go over until some time in the indeterminate future?

Mr. BRADEMAS. The minority leader is correct.

Mr. RHODES. Mr. Speaker, I thank the gentleman.

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

Mr. RHODES. I yield to the gentleman from Maryland.

Mr. BAUMAN. Mr. Speaker, it is my understanding that the next order of business, as the gentleman from Indiana (Mr. BRADEMAS) stated, is the consideration of a resolution that would require a two-thirds vote of the House to make in order the joint resolution 662. Along with the Senate amendments that will make in order language that was not available to me until 5 minutes ago, and many other Members have not had an opportunity as yet to see it.

This amendment bears no relationship to the language read earlier by the gentleman from Illinois (Mr. MICHEL), and this to me is a complete betrayal of the position that this House has taken on numerous occasions.

Mr. Speaker, I would hope that a vote on the rule would be demanded and that it be voted down when the rollcall is taken.

Mr. RHODES. Mr. Speaker, I assume there would be debate had on the rule.

Mr. SNYDER. Mr. Speaker, will the gentleman yield so I may ask a question about the program?

Mr. RHODES. I yield to the gentleman from Kentucky.

Mr. SNYDER. Mr. Speaker, yesterday I understood the distinguished majority whip to indicate that tomorrow's session would be a pro forma session. I have checked the RECORD, and the gentleman did say that.

I believe that the gentleman has now indicated there will be votes tomorrow?

Mr. BRADEMAS. Mr. Speaker, if the gentleman from Arizona will yield, it is not impossible that there will be a vote tomorrow.

Mr. SNYDER. The gentleman announced that a piece of legislation is scheduled for tomorrow?

Mr. BRADEMAS. The gentleman is correct.

Mr. RHODES. And there is a possibility that there would be a vote on that particular motion to agree to the Senate amendments; and further, if the social security conference report is ready for consideration, there might well be a vote on the adoption of that report, as I understand it.

Is there any possibility that the gentleman from Indiana (Mr. BRADEMAS) can foresee that there might be any other votes on tomorrow?

Mr. BRADEMAS. Not that I can foresee.

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

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

Mr. ROUSSELOT. Mr. Speaker, what is this great piece of legislation we have scheduled for tomorrow? Why can we not consider it today?

Mr. BRADEMAS. Mr. Speaker, if the minority leader will yield further, I am not familiar with the substance of the act. All I can say is that this is the measure which I have been advised by the Speaker will be scheduled for tomorrow.

Mr. ROUSSELOT. We do not know the subject of that legislation?

Mr. BRADEMAS. Yes, we do. Mr. Speaker, as I said earlier—and perhaps the gentleman from California (Mr. ROUSSELOT) did not hear me—I am given to understand that the Committee on Rules has not yet filed a rule with respect to the matter which I said would be programed for tomorrow, and that would be to concur in the Senate amendment on H.R. 9378, an Act to amend title IV of the Employment Retirement Income Security Act of 1974. If the Committee on Rules does file a rule, we can very well bring that up, I am advised.

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

Mr. RHODES. I yield to the gentleman from Ohio.

Mr. LATTA. Mr. Speaker, I just wish to inform the House that the Committee on Rules just broke up, and we are going back in session to report this matter out, so there is no reason why this could not be reported and this matter acted on today.

Mr. BRADEMAS. Mr. Speaker, I thank the gentleman.

FURTHER CONTINUING APPROPRIATIONS, 1978

Mr. DODD, from the Committee on Rules, reported the following privileged resolution (H. Res. 929, Rept. No. 95-834), which was referred to the House Calendar and ordered to be printed:

H. RES. 929

Resolved, That immediately upon the adoption of this resolution it shall be in order to take from the Speaker's table the joint resolution (H.J. Res. 662) making further continuing appropriations for the fiscal year 1978, and for other purposes, together with the Senate amendments thereto, and to consider the Senate amendments in the House.

Mr. DODD. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 929 and ask for its immediate consideration.

The SPEAKER pro tempore (Mr. DAN DANIEL). The Clerk will report the resolution.

The Clerk read the resolution.

The SPEAKER pro tempore. The question is, Will the House now consider House Resolution 929?

The question was taken; and on a division (demanded by Mr. BAUMAN) there were—yeas 110, nays 31.

Mr. BAUMAN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 240, nays 109, not voting 85, as follows:

[Roll No. 774]

YEAS—240

Addabbo
Akaka
Alexander
Allen
Ammerman
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Annunzio
Ashley
Aspin
AuCoin
Baldus
Beard, Tenn.
Bedell
Benjamin
Bennett
Bevill
Bingham
Blanchard
Blouin
Bonior
Bonker
Bowen
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Brown, Calif.
Brown, Mich.
Brown, Ohio
Buchanan
Burgener
Burke, Calif.
Burleson, Tex.
Burlison, Mo.
Butler
Byron
Caputo
Carney
Carr
Carter
Cavanaugh
Cederberg
Chappell
Cleveland
Cochran
Cohen
Collins, Ill.
Conable
Corcoran
Corman
D'Amours
Daniel, Dan
Daniel, R. W.
Davis
de la Garza
Dellums
Derrick
Dicks
Dingell
Dodd
Drinan
Duncan, Oreg.
Duncan, Tenn.
Eckhardt
Edgar
Edwards, Calif.
Emery
Evans, Colo.
Evans, Del.
Evans, Ind.
Fascell
Fenwick
Findley
Fish
Fisher
Flippo
Florio
Flowers
Foley
Ford, Mich.
Fountain
Fowler
Fraser
Frenzel
Gaydos
Gialmo
Gilman
Ginn
Glickman
Gonzalez
Gore
Gradison
Gudger
Hagedorn
Hamilton
Hammer-schmidt
Hanley
Hannaford
Harkin
Harrington
Harris
Hefner
Heftel
Hightower
Holland
Hollenbeck
Holtzman
Horton
Howard
Huckaby
Hughes
Ireland
Jacobs
Jeffords
Jenkins
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Ketchum
Keys
Kostmayer
Krebs
LaFalce
Leach
Leggett
Lehman
Levitas
Lloyd, Calif.
Lloyd, Tenn.
Long, La.
Long, Md.
Lott
Luken
McClory
McCormack
McFall
McHugh
McKay
McKinney
Maguire
Mahon
Mann
Markey
Marks
Martin
Meyner
Michel
Mikva
Miller, Calif.
Mineta
Minish
Mitchell, Md.
Moakley
Moffett
Mollohan
Moore
Moorhead, Pa.
Mottl
Murtha
Myers, Gary
Nedzi
Nix
Nolan
Nowak
Obey
Ottinger
Panetta
Patten
Pattison
Pease
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Preyer
Price
Pritchard
Rangel
Reuss
Rhodes
Richmond
Roberts
Robinson
Rodino
Roe
Rogers
Rose
Roybal
Ryan
Santini
Satterfield
Schroeder
Seiberling
Sharp
Sikes
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stark
Steed
Steers
Stockman
Stokes
Stratton
Studds
Teague
Thompson
Thornton
Treen
Trible
Tsongas
Tucker
Udall
Ullman
Van Deerlin
Vanik
Vento
Walgren
Watkins
Weiss
Whitehurst
Whitley
Wiggins
Wilson, Tex.
Yates

NAYS—109

Abdnor
Andrews, N. Dak.
Applegate
Archer
Armstrong
Ashbrook
Badham
Bafalis
Bauman
Beard, R.I.
Biaggi
Boggs
Boland
Breaux
Broomfield
Burke, Fla.
Burke, Mass.
Clausen, Don H.
Clawson, Del
Coleman
Collins, Tex.
Conte
Cornell
Coughlin
Delaney
Derwinski
Devine
Dornan
Early
Edwards, Okla.
Eilberg
Fary
Flood
Flynt
Gephardt
Goodling
Grassley
Guyer
Hansen
Harsha
Heckler
Holt
Hubbard
Hyde
Ichord
Kasten
Kemp
Kildee
Kindness
Lagomarsino
Latta
Le Fante
Lederer
Lujan
McDade
McDonald
McEwen
Madigan
Marlenee
Mazzoli
Miller, Ohio
Mitchell, N.Y.
Moorhead, Calif.
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Myers, John
Myers, Michael
Natcher
O'Brien
Oakar
Oberstar
Pressler
Regula
Rinaldo
Rooney
Rousselot
Rudd
Schulze
Shipley
Shuster
Skelton
Smith, Nebr.
Snyder
Spence
St Germain
Stangeland
Stanton
Steiger
Stump
Taylor
Thone
Traxler
Vander Jagt
Volkmer
Waggonner
Walsh
Wampler
White
Whitten
Winn
Wydler
Wylie
Yatron
Young, Fla.
Young, Mo.
Young, Tex.
Zablocki
Zeferetti

NOT VOTING—85

Ambro
Badillo
Barnard
Baucus
Beilenson
Bolling
Broyhill
Burton, John
Burton, Phillip
Chisholm
Clay
Conyers
Cornwell
Cotter
Crane
Cunningham
Danielson
Dent
Dickinson
Diggs
Downey
Edwards, Ala.
English
Erlenborn
Ertel
Evans, Ga.
Fithian
Ford, Tenn.
Forsythe
Frey
Fuqua
Gammage
Gibbons
Goldwater
Hall
Hawkins
Hillis
Kazen
Kelly
Koch
Krueger
Lent
Livingston
Lundine
McCloskey
Marriott
Mathis
Mattox
Meeds
Metcalfe
Mikulski
Milford
Montgomery
Moss
Neal
Nichols
Patterson
Pursell
Quayle
Quie
Quillen
Rahall
Railsback
Risenhoover
Roncalio
Rosenthal
Rostenkowski
Runnels
Ruppe
Russo
Sarasin
Sawyer
Scheuer
Sebelius
Symms
Walker
Waxman
Weaver
Whalen
Wilson, Bob
Wilson, C. H.
Wirth
Wolff
Wright
Young, Alaska

The Clerk announced the following pairs:

Mr. Kazen with Mr. Broyhill.
Mr. Ambro with Mr. Barnard.
Ms. Chisholm with Mr. Patterson of California.
Mr. Dent with Mr. Crane.
Mr. Beilenson with Mr. Dickinson.
Mr. Cornwell with Mr. Forsythe.
Mr. Danielson with Mr. Marriott.
Mr. Fuqua with Mr. Edwards of Alabama.
Mr. Badillo with Mr. Goldwater.
Mr. Cotter with Mr. McCloskey.
Mr. Ertel with Mr. Hillis.
Mr. John Burton with Mr. Baucus.
Mr. English with Mr. Erlenborn.
Mr. Gammage with Mr. Livingston.
Mr. Ford of Tennessee with Mr. Mathis.
Mr. Diggs with Mr. Pursell.
Mr. Phillip Burton with Mr. Cunningham.
Mr. Evans of Georgia with Mr. Krueger.
Mr. Hall with Mr. Quayle.
Mr. Gibbons with Mr. Frey.
Mr. Clay with Mr. Risenhoover.
Mr. Hawkins with Mr. Runnels.
Mr. Downey with Mr. Kelly.
Mr. Koch with Mr. Quie.
Mr. Conyers with Mr. Railsback.
Mr. Meeds with Mr. Roncalio.
Mr. Fithian with Mr. Lent.
Mr. Lundine with Mr. Milford.
Mr. Mattox with Mr. Quillen.
Mr. Metcalfe with Mr. Ruppe.
Ms. Mikulski with Mr. Montgomery.
Mr. Moss with Mr. Russo.
Mr. Neal with Mr. Sarasin.
Mr. Nichols with Mr. Sawyer.
Mr. Rahall with Mr. Scheuer.
Mr. Rosenthal with Mr. Sebelius.
Mr. Waxman with Mr. Symms.
Mr. Rostenkowski with Mr. Walker.
Mr. Weaver with Mr. Whalen.
Mr. Charles H. Wilson of California with Mr. Wright.
Mr. Wirth with Mr. Bob Wilson.
Mr. Wolff with Mr. Young of Alaska.

Mr. MARLENEE changed his vote from "yea" to "nay."

So (two-thirds having voted in favor thereof) the House agreed to consider House Resolution 929.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The gentleman from Connecticut (Mr. DODD) is recognized for 1 hour.

Mr. DODD. Mr. Speaker, I yield 30 minutes to the gentleman from Ohio (Mr. LATTA) for purposes of debate only, pending which I yield myself such time as I may consume.

Mr. Speaker, very briefly, this resolution will make in order consideration in the House of the Senate amendments to the continuing resolution. It is my hope and I know the hope of the vast majority of the people in the Chamber this afternoon that we would be able to resolve this issue once and for all.

Mr. Speaker, I have no request for time and I yield to the gentleman from Ohio (Mr. LATTA).

(Mr. LATTA asked and was given permission to revise and extend his remarks.)

Mr. LATTA. Mr. Speaker, I think the House should be informed as to the new language to be added to the abortion amendment. It provides for the addition of the words "when so determined by two physicians". This additional language has been provided, and the rule makes consideration of it in order. Mr. speaker, I am opposed to the rule as well as the joint resolution.

Mr. Speaker, I have no request for time.

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

The SPEAKER pro tempore. Without objection, the previous question is ordered.

Mr. BAUMAN. Mr. Speaker, I object.

Will the gentleman from Connecticut withhold his request?

Mr. DODD. I will be glad to withhold.

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

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

Mr. BAUMAN. Mr. Speaker, could the gentleman tell us who presented this language to the Rules Committee? A great many people were under the impression that the gentleman from Illinois (Mr. MICHEL) had read the language that would be made in order during debate this afternoon and we were of the impression that the language was to be made in order by the Rules Committee. Subsequently this new language arrived on the floor, and made in order under the rule, to the great surprise of many of us.

Mr. LATTA. Mr. Speaker, I regret the gentleman's surprise. This language was presented in the Rules Committee by the chairman of the Appropriations Committee, and the gentleman from Illinois (Mr. MICHEL) was there in the Rules

Committee and agreed to the language at that time.

I will be glad to yield to the gentleman from Illinois (Mr. MICHEL) if he has any comment.

Mr. MICHEL. Mr. Speaker, I thank the gentleman for yielding.

I am sorry the gentleman from Maryland was laboring under some misapprehension that this had all been set in concrete, because I presented the language basically just as a suggestion to follow.

The events which flowed subsequent to that were such as these: When I checked with the other body, particularly, those I knew would be opposed to the kind of language I would have preferred, it became quite obvious to me that there was no way that we were going to get this thing resolved finally, even with a good House vote. We would be running up against the same kind of opposition in the Senate, and we would then be back where we were 4 months ago. So it became clear to me that such language was not a viable alternative with which to look around for a few other votes. There was one other alternative that has been proposed around here for several days and which I have reluctantly opposed, because it calls for two physicians. It means additional costs. If one doctor is fraudulent, there would be two doctors which would help protect against abuse. I was not that enthused about such additional language, but we are at that point where we are moving from feet to inches to centimeters.

If that means just a couple votes, since we were just about there, it seems to me that this is the direction the chairman of our committee preferred to move in; so you base the situation on what you can do. I am not all enthused about it. I wish the good Lord would take this cup from me at this hour, but we have to do the best we can.

Mr. LATTA. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. FLOOD).

Mr. FLOOD. Well, of course, Mr. Speaker, I had what I thought was a very clear understanding, not only today, but yesterday and last night, that if and when the situation arose that after the House defeated this last Senate amendment, that certain language, the so-called Michel language, would then be acceptable.

Now I find out, like this, there was another meeting of the Committee on Rules and entirely different language was discussed; when, where or how, who, what, we have not the faintest idea. It happened just like that. Somebody must have blinked their eyes and there we were.

Now, on this thing I hold in my hand, it is not just a couple lousy votes, no, not just a couple more votes, but two more physicians instead of a couple votes.

Mr. LATTA. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. HYDE).

Mr. HYDE. Mr. Speaker, I just want to briefly state there were some rumors floating around that this language that is made in order as a result of this rule is acceptable to me as well as others who have shared the same view as I have. It is not acceptable as far as I am concerned and I just wanted to dispel that rumor and set the record straight.

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

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. MAHON. Mr. Speaker, pursuant to the rule just adopted in the House, I move to take from the Speaker's table the joint resolution (H.J. Res. 662) making further continuing appropriations for the fiscal year 1978, and for other purposes, together with the Senate amendments thereto, and to consider the Senate amendments in the House.

The Clerk read the title of the joint resolution.

SENATE AMENDMENTS

The SPEAKER. The Clerk will report the first Senate amendment.

The Clerk read as follows:

Senate amendment No. 1: Page 2, lines 15 and 16, strike "as modified by the House of Representatives on August 2, 1977".

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MAHON moves that the House concur in the amendment of the Senate numbered 1.

Mr. MAHON. Mr. Speaker, this is purely a technical amendment. It should be clear that the continuing resolution provides for the operation of the Departments of Labor and HEW at the conference rate and also that these departments operate under the provisions of the conference agreement on the Labor-HEW bill. I do not know of any other conflict on this.

The motion was agreed to.

The SPEAKER. The Clerk will report the second Senate amendment.

The Clerk read as follows: Senate amendment No. 2; page 2, line 17, after "resolution" insert: *"Provided, however,* That none of the funds provided for in this paragraph shall be used to perform abortions: except where the life of the mother would be endangered if the fetus were carried to term; or except for such medical procedures necessary for the victims of rape or incest, when such rape or incest has been reported promptly to a law enforcement agency or public health service; or except in those instances where severe and long-lasting physical health damage to the mother would result if the pregnancy were carried to term.

"Nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of an ectopic pregnancy.

"The Secretary shall promptly issue regulations and establish procedures to ensure that the provisions of this section are rigorously enforced.".

The SPEAKER. The Chair recognizes the gentleman from Illinois (Mr. MICHEL).

MOTION OFFERED BY MR. MICHEL

Mr. MICHEL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. MICHEL moves that the House concur in the amendment of the Senate numbered 2 with an amendment, as follows: *"Provided,* That none of the funds provided for in this paragraph shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term; or except for such medical procedures necessary for the victims of rape or incest, when such rape or incest has been reported promptly to a law enforcement agency or public health service; or except in those instances where severe and long-lasting physical health damage to the mother would result if the pregnancy were carried to term when so determined by two physicians.

"Nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of an ectopic pregnancy.

"The Secretary shall promptly issue regulations and establish procedures to ensure that the provisions of this section are rigorously enforced.".

The SPEAKER. The gentleman from Illinois (Mr. MICHEL) is recognized for 1 hour.

Mr. MICHEL. Mr. Speaker, I yield 30 minutes to the chairman of our committee, the gentleman from Texas (Mr. MAHON), and pending that I will proceed for just a few moments.

Let me make it very clear at the outset that this is not, obviously, that language which we were talking about earlier in the day, and which I would have preferred to have made in order as an amendment to this bill. To repeat what I said just a moment or two ago, it became quite obvious to me that such language was simply going to put us right back in that position we were in 3 or 4 months ago, rather than making a further movement to an ultimate or eventual agreement.

Now, the only difference in this language than that which the Members voted on a little earlier in the day are the words, "when so determined by two physicians."

That is the only thing that has been added. Members will remember when the amendment came over from the other body, they deleted the word "force," so in that initial Michel language we still have "promptly" reporting minus the word "force," and now adding, "when so determined by two physicians."

I think we have all heard the arguments pro and con. It is simply a question here of whether or not these additional few words will get those additional few votes to finally bring this matter to a successful conclusion.

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

Mr. MICHEL. I yield to the gentleman from Maryland.

Mr. BAUMAN. I thank the gentleman for yielding.

Mr. Speaker, I want to say to the gentleman that I admire his diligence in this matter, but I think the issue is a bit more than just a few words to get a few more votes. The health provision which existed in the language this morning would have required determination by one physician. Now it is going to require, at an additional cost to the Federal Government, the determination by two physicians.

Mr. MICHEL. As the gentleman heard

me say earlier, I had been reluctant to accept this earlier in the week because of that dollar figure and what was involved with two rather than one physician.

Mr. BAUMAN. If the gentleman will yield further, I have been informed by persons that I have talked with in the few minutes I have had since this language was made available that, in States where similar rules or regulations have been placed in effect, they have been used very effectively in allowing abortions. A great many doctors, particularly those whose chief practice is performing abortions, are more than willing to certify to the need. That was my concern with the one physician. Now the gentleman is requiring that two physicians make this determination. I see no difference, except an increased cost to the taxpayers, between this and what the House voted down earlier today. There is no requirement, even, for an examination. The second doctor can certify the need on a consulting fee basis and sign the authorization.

So I would hope that at this late hour we are not going to sell out on this issue simply to reach a solution that is acceptable to one or two Members of the other body.

Mr. MICHEL. We wrestled with this question of fraud, even to the extent, maybe, of this kind of language:

> Whoever knowingly and wilfully makes or causes to be made any false statement or representation of a material fact in any report made to a law enforcement agency or a public health service shall be subject to section 1909 of the Medicare-Medicaid Antifraud and Abuse Amendments of 1977 (P.L. 95-142).

The problem is that here, with the flow of events happening so quickly, I am not altogether sure that we want to impose that kind of $2,500 or $5,000 fine if it were applicable to minors.

I realize that maybe over in the other body that might be even more acceptable than two physicians. But as I said, it has been a most difficult 3 or 4 months we have gone through. Those of us who have been at every conference, at every meeting, every change of words, every dotting of the "i" and crossing of the "t," have just about had it up to here. As I indicated, I cannot be happy about not having my way, but that is the art of compromise.

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

Mr. MICHEL. I yield to the gentleman from Illinois.

Mr. HYDE. I thank the gentleman for yielding.

Mr. Speaker, I commend the gentleman from Illinois, I commend the chairman of the committee and the chairman of the subcommittee, and all who have wrestled with this problem. It is not an easy one, and everyone is trying to do what is right. The difficulty is in knowing what is right.

I just want to make one point. In California, I am informed that in 1970 the law required three physicians to certify, and this is what they had to certify: that the woman was a physical threat to herself and to the person or property of others, and under restraint or supervision.

That is a tough requirement. Three physicians had to certify to that, and they performed 100,000 abortions with that language.

There is one more point I would like to make, and then I will sit down. I never knew an abortionist who did not have a partner.

Mr. MICHEL. Mr. Speaker, the gentleman has been a very vocal and a very effective spokesman for his point of view. I respect his view and those who have been wedded to his view, but I just know that we have to have a little movement to get a final bill. I hope we will have a sufficient switch to make the difference here.

Mr. MAHON. With those cries for a vote, Mr. Speaker, I yield myself such time as I may utilize. Those cries for a vote are music to my ears.

We will be, I hope, moving very quickly on this matter. It was thought that we should not have another vote on this very difficult and disturbing issue without making some significant change in the language that was voted on earlier today, in order to make it more likely that the rules which the Secretary of Health, Education, and Welfare proposes to set forth would be free of collusion and fraud.

It was thought that the provision for two physicians would be appropriate. This suggestion did not come from me; it came from Members of the House who talked with me on several occasions.

So, Mr. Speaker, it just seems to me that this is a further concession, and I believe that some of the Members who are anxious to resolve this issue will be impressed by the fact that the provision for two physicians is to be included in the language.

I would hope that the House may accept this motion offered by the gentleman from Illinois (Mr. MICHEL). I heartily support the motion. It is the best we can do under the circumstances, and it seems to me that now is the hour and now is the moment to vote.

Mr. MICHEL. Mr. Speaker, I am afraid that I did neglect my friend, the gentleman from Kentucky (Mr. CARTER), who had asked for time to make a statement.

Therefore, Mr. Speaker, at this time I yield such time as he may consume to the gentleman from Kentucky (Mr. CARTER).

Mr. CARTER. Mr. Speaker, this morning I complimented the distinguished Dean of the House, the gentleman from Texas (Mr. MAHON), on his excellent work over a long period of time on this matter, and I also want to compliment the minority whip, the gentleman from Illinois (Mr. MICHEL), who has worked long and hard on this legislation.

I submit, Mr. Speaker, that this is a difficult problem. I have as a physician always opposed abortion. However, in this case, when serious physical damage can occur to a woman who is pregnant and two physicians make the statement that it would so endanger her life, I think that it is necessary and absolutely right for them to make such a decision, and I think it is right that the abortion be done to save the life of the mother or to save her from serious physical damage.

The minority whip, Mr. MICHEL, accepted an amendment offered by myself and the gentleman from Kansas (Mr. SKUBITZ) in these words, "when so determined by two physicians." This, Mr. Speaker, makes sure the abortion is necessary to prevent severe and long-lasting health damage and will also limit the chance of fraud. Again, I urge adoption of the amendment.

I agree with the motion as it has been presented today. I think it is right.

Some Members might say, "Well, you have changed your position."

I may reply and say that that is quite true. I have changed my position, and I believe that a decision of two physicians is necessary before an abortion should be performed.

This may mean it will be just a little bit more expensive at the start, but it will be less so in the end, because the delivery, if it were possible, would be more expensive than the abortion. Under this provision two physicians would attest to the fact of the absolute necessity for this action, and I feel that would diminish the possibility of fraud.

I strongly support this language as it is written, and as far as my change in position is concerned, I would again quote, as the distinguished committee chairman quoted from Hamlet this morning:

> And thus the native hue of resolution is sicklied o'er with the pale cast of thought.

Mr. Speaker, in this case I have changed my thinking because this language is good, and it is necessary. We should agree to this and get on with our business. It is humanitarian, and I urge that the motion be adopted. I strongly support it.

GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on this joint resolution, on the motion which I offered earlier, and on the motion offered by the gentleman from Illinois (Mr. MICHEL).

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

There was no objection.

Mr. MICHEL. Mr. Speaker, if the chairman of the committee has no further requests for time, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion offered by the gentleman from Illinois (Mr. MICHEL).

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

Mr. BAUMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic de-

vice, and there were—yeas 181, nays 167, answered "present" 1, not voting 85, as follows:

[Roll No. 775]

YEAS—181

Addabbo
Akaka
Alexander
Allen
Anderson, Calif.
Anderson, Ill.
Andrews, N.C.
Ashley
Aspin
AuCoin
Bedell
Bingham
Blanchard
Bonker
Bowen
Brademas
Breckinridge
Brinkley
Brodhead
Brooks
Brown, Calif.
Brown, Mich.
Buchanan
Burke, Calif.
Burlison, Mo.
Burton, John
Butler
Carr
Carter
Cochran
Cohen
Collins, Ill.
Conable
Corman
Coughlin
Daniel, R. W.
Davis
Dellums
Derrick
Dicks
Diggs
Dingell
Dodd
Drinan
Eckhardt
Edgar
Edwards, Calif.
Evans, Colo.
Evans, Del.
Evans, Ind.
Fascell
Fenwick
Findley
Fisher
Flippo
Flowers
Foley
Ford, Mich.
Fountain
Fowler
Fraser
Giaimo
Gilman
Ginn
Glickman
Gonzalez
Gudger
Hamilton
Hammer-schmidt
Hannaford
Harkin
Harrington
Harris
Hefner
Heftel
Hightower
Holland
Hollenbeck
Holtzman
Horton
Howard
Hughes
Jacobs
Jeffords
Jenrette
Johnson, Calif.
Johnson, Colo.
Jones, N.C.
Jones, Okla.
Jones, Tenn.
Jordan
Kastenmeier
Ketchum
Keys
Kostmayer
Krebs
Leach
Leggett
Lehman
Levitas
Lloyd, Calif.
Long, Md.
McCormack
McFall
McHugh
McKinney
Maguire
Mahon
Mann
Martin
Meyner
Michel
Mikva
Miller, Calif.
Mineta
Mitchell, Md.
Moffett
Mollohan
Moorhead, Pa.
Neal
Nix
Nolan
Obey
Ottinger
Panetta
Pattison
Pease
Pepper
Perkins
Pettis
Pickle
Pike
Poage
Preyer
Price
Pritchard
Pursell
Rangel
Reuss
Richmond
Roberts
Rogers
Rose
Roybal
Runnels
Santini
Schroeder
Seiberling
Sharp
Simon
Sisk
Skubitz
Slack
Smith, Iowa
Solarz
Spellman
Staggers
Stark
Steed
Steers
Stockman
Stokes
Studds
Teague
Thompson
Thornton
Trible
Tsongas
Tucker
Udall
Ullman
Van Deerlin
Vanik
Vento
Walgren
Weiss
White
Whitehurst
Whitley
Wiggins
Yates

NAYS—167

Abdnor
Ammerman
Andrews, N. Dak.
Annunzio
Applegate
Archer
Armstrong
Ashbrook
Badham
Bafalis
Baldus
Bauman
Beard, R.I.
Beard, Tenn.
Benjamin
Bennett
Bevill
Biaggi
Blouin
Boggs
Boland
Bonior
Breaux
Broomfield
Brown, Ohio
Burgener
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Byron
Caputo
Carney
Cavanaugh
Cederberg
Chappell
Clausen, Don H.
Clawson, Del
Coleman
Collins, Tex.
Conte
Corcoran
Cornell
D'Amours
Daniel, Dan
de la Garza
Delaney
Derwinski
Devine
Dornan
Duncan, Tenn.
Early
Edwards, Okla.
Eilberg
Emery
Fary
Fish
Flood
Florio
Flynt
Gaydos
Gephardt
Goodling
Gore
Gradison
Grassley
Guyer
Hagedorn
Hanley
Hansen
Harsha
Heckler
Holt
Hubbard
Huckaby
Hyde
Ichord
Ireland
Jenkins
Kasten
Kemp
Kildee
Kindness
LaFalce
Lagomarsino
Latta
Le Fante
Lederer
Lloyd, Tenn.
Long, La.
Lott
Lujan
Luken
McClory
McDade
McDonald
McEwen
McKay
Madigan
Markey
Marks
Marlenee
Mazzoli
Miller, Ohio
Minish
Mitchell, N.Y.
Moakley
Moore
Moorhead, Calif.
Mottl
Murphy, Ill.
Murphy, N.Y.
Murphy, Pa.
Murtha
Myers, Gary
Myers, John
Myers, Michael
Natcher
Nedzi
Nowak
O Brien
Oakar
Oberstar
Patten
Pressler
Regula
Rhodes
Rinaldo
Robinson
Rodino
Roe
Rooney
Rousselot
Rudd
Satterfield
Shipley
Shuster
Sikes
Skelton
Smith, Nebr.
Snyder
Spence
St Germain
Stangeland
Stanton
Steiger
Stratton
Stump
Taylor
Thone
Traxler
Treen
Vander Jagt
Volkmer
Waggonner
Walsh
Wampler
Watkins
Whitten
Winn
Wydler
Wylie
Yatron
Young, Fla.
Young, Mo.
Young, Tex.
Zablocki
Zeferetti

ANSWERED "PRESENT"—1

Frenzel

NOT VOTING—85

Ambro
Badillo
Barnard
Baucus
Beilenson
Bolling
Broyhill
Burton, Phillip
Chisholm
Clay
Cleveland
Conyers
Cornwell
Cotter
Crane
Cunningham
Danielson
Dent
Dickinson
Downey
Duncan, Oreg.
Edwards, Ala.
English
Erlenborn
Ertel
Evans, Ga.
Fithian
Ford, Tenn.
Forsythe
Frey
Fuqua
Gammage
Gibbons
Goldwater
Hall
Hawkins
Hillis
Kazen
Kelly
Koch
Krueger
Lent
Livingston
Lundine
McCloskey
Marriott
Mathis
Mattox
Meeds
Metcalfe
Mikulski
Milford
Montgomery
Moss
Nichols
Patterson
Quayle
Quie
Quillen
Rahall
Railsback
Risenhoover
Roncalio
Rosenthal
Rostenkowski
Ruppe
Russo
Ryan
Sarasin
Sawyer
Scheuer
Schulze
Sebelius
Symms
Walker
Waxman
Weaver
Whalen
Wilson, Bob
Wilson, C. H.
Wilson, Tex.
Wirth
Wolff
Wright
Young, Alaska

The Clerk announced the following pairs:

On this vote:

Mr. Frenzel for, with Mr. Quie against.
Mr. Baucus for, with Mr. Rahall against.
Ms. Mikulski for, with Mr. Nichols against.
Mr. Weaver for, with Mr. Gammage against.
Mr. Waxman for, with Mr. Ambro against.
Mr. Cornwell for, with Mr. Koch against.
Mr. Wirth for, with Mr. Cotter against.
Mr. Ford of Tennessee for, with Mr. Hall against.
Mr. Badillo for, with Mr. Kazen against.
Mr. Beilenson for, with Mr. Risenhoover against.
Ms. Chisholm for, with Mr. Rostenkowski against.
Mr. Danielson for, with Mr. Russo against.
Mr. Downey for, with Mr. Crane against.
Mr. Hawkins for, with Mr. Cunningham against.
Mr. Lundine for, with Mr. Dickinson against.
Mr. Meeds for, with Mr. Erlenborn against.
Mr. Metcalfe for, with Mr. Goldwater against.
Mr. Patterson of California for, with Mr. Hillis against.
Mr. Rosenthal for, with Mr. Kelly against.
Mr. Ryan for, with Mr. Lent against.
Mr. Scheuer for, with Mr. Livingston against.
Mr. Charles H. Wilson of California for, with Mr. Marriott against.
Mr. Wolff for, with Mr. Quayle against.
Mr. Wright for, with Mr. Quillen against.
Mr. Mattox for, with Mr. Ruppe against.
Mr. Clay for, with Mr. Sawyer against.
Mr. Conyers for, with Mr. Schulze against.
Mr. Forsythe for, with Mr. Sebelius against.
Mr. Sarasin for, with Mr. Walker against.

Until further notice:

Mr. Mathis with Mr. Broyhill.
Mr. English with Mr. Duncan of Oregon.
Mr. Evans of Georgia with Mr. Frey.
Mr. Gibbons with Mr. Krueger.
Mr. Montgomery with Mr. Cleveland.
Mr. Fuqua with Mr. McCloskey.
Mr. Ertel with Mr. Milford.
Mr. Moss with Mr. Railsback.
Mr. Barnard with Mr. Symms.
Mr. Phillip Burton with Mr. Edwards of Alabama.
Mr. Dent with Mr. Young of Alaska.
Mr. Whalen with Mr. Bob Wilson.

Messrs. DAVIS and JENRETTE changed their vote from "nay" to "yea."

Mr. DUNCAN of Tennessee changed his vote from "yea" to "nay."

Mr. FRENZEL changed his vote from "yea" to "present."

Mr. FRENZEL. Mr. Speaker, I have a live pair with the gentleman from Minnesota (Mr. QUIE). If he were present he would have voted "nay." I voted "yea." I withdraw my vote and vote "present."

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REPORT ON RESOLUTION PROVIDING FOR AGREEING TO SENATE AMENDMENTS TO H.R. 9378, AMENDING TITLE IV OF EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

Mr. LONG of Louisiana, from the Committee on Rules, submitted a privileged report (Report No. 95–835) on the resolution (H. Res. 930) providing for agreeing to Senate amendments to the bill (H.R. 9378) to amend title IV of the Employee Retirement Income Security Act of 1974 to postpone, for 2 years, the date on which the corporation first begins paying benefits under terminated multiemployer plans, which was referred to the House Calendar and ordered to be printed.

LEGISLATIVE PROGRAM

(Mr. O'NEILL asked and was given permission to address the House for 1 minute and to proceed out of order.)

Mr. O'NEILL. Mr. Speaker, I asked to speak out of order for 1 minute so I can give the schedule.

There will be a session tomorrow. There is a great possibility that we may have the supplemental appropriation bill back, and for that reason we must be here.

For the remainder of today we will take up the rule on ERISA.

By tomorrow we will know definitely where we are with respect to the supplemental appropriation bill and where we are concerning the social security bill, and by tomorrow we will have a definite agenda for the remainder of the year.

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

Mr. O'NEILL. I yield to the gentleman from Arizona.

Mr. RHODES. Mr. Speaker, when will we be coming in tomorrow?

Mr. O'NEILL. Mr. Speaker, in view of the fact that it was announced we would be coming in at 10 o'clock, we will come in at 10 o'clock tomorrow.

Mr. RHODES. I thank the Speaker.

Mr. LONG of Louisiana. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 930 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 930

Resolved, That immediately upon the adoption of this resolution the bill (H.R. 9378) to amend title IV of the Employee Retirement Income Security Act of 1974 to postpone, for two years, the date on which the corporation first begins paying benefits under terminated multiemployer plans, together with the Senate amendments thereto, is taken from the Speaker's table to the end that the Senate amendments be, and the same are hereby, agreed to.

The SPEAKER. The question is, Will the House now consider House Resolution 930?

The question was taken; and (two-thirds having voted in favor thereof) the House agreed to consider House Resolution 930.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Louisiana (Mr. LONG) for 1 hour.

Mr. LONG of Louisiana. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi (Mr. LOTT), pending which I yield myself such time as I may consume.

Mr. Speaker, this rule makes in order the consideration of H.R. 9378 and to take the bill from the Speaker's table and to agree to the Senate amendments.

The bill passed the House on October 13, 1977, on suspension. Subsequently the other body amended the bill to include a raise in the premium for single employer plans insurance from $1 to $2.60 per participant per year.

This is for Federal funds to insure these pension funds. The House version of H.R. 9378 would solve the question of insurance rates. The House did, however, address this issue through House Concurrent Resolution 369, which passed the House on November 2, 1977. In that resolution the raise had been to $2.25 rather than to the $2.60 to which I refer.

Since that time new information and computations suggest that the $2.60 figure reflects the proper rate and the House committees involved do agree with the raise to $2.60.

Ancillary to the substance to the bill and the amendment is the conflict of jurisdiction. The chairmen of the two involved committees, however, realize the emergency nature of the matter, since the fund itself may be placed in jeopardy, and have worked out an understanding which will be related through floor colloquy at the proper time.

As I stated, this action is necessary because the pension plans insured by the Federal fund will be placed in potential jeopardy unless the increase called for is agreed to. Therefore, I urge adoption of the resolution.

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

Mr. Speaker, once we have passed House Resolution 930, that is it. This issue will be resolved. We will have agreed to the action and we will go on to the next issue. I think we should clearly understand that.

Now, what is involved here is really a jurisdictional dispute, some jurisdictional question between the Committee on Education and Labor and the Committee on Ways and Means. It really involves two different bills, one relating to an 18-month extension of ERISA and the other dealing with the premium raise in the title IV section, I believe it is, for single employees. The Senate added an amendment to H.R. 9378 and then it went exclusively to the Committee on Education and Labor. The Committee on Education and Labor then tried to take it from the Speaker's table by unanimous consent so that we could vote on it. I understand now there is an agreement between the Members on both sides, the majority and the minority of the Committee on Education and Labor and the Committee on Ways and Means that this jurisdictional problem is not going to be in effect taken up by this issue and all parties agree with the merits of what is being done here basically. The Members of both committees have come before the House Rules Committee this afternoon in support of what is proposed under House Resolution 930.

Mr. Speaker, I believe it would be appropriate for me to yield such time as he may consume to the gentleman from Wisconsin (Mr. STEIGER), since the gentleman from Wisconsin was the Member that objected to the unanimous consent request to take it from the Speaker's table.

Mr. STEIGER. Mr. Speaker, I must admit I find myself in a difficult position. I am the last one that gets hung up by jurisdictional disputes. I do not think it makes good sense, nor is there any good public policy that comes out of it.

What we are dealing with this afternoon is something that needs to be done. I do not think there is any question but that the automatic coverage of multiemployer plans has to be postponed for 18 months, as proposed by the Committee on Education and Labor. There is a question in my mind about the annual premium rate of $2.60 proposed by the other body, compared with the $2.25 rate passed unanimously in this chamber.

Upon reflection and discussion with the Pension Benefit Guaranty Corporation and with the distinguished gentleman from Florida (Mr. GIBBONS), the chairman of the task force, the Committee on Ways and Means is at this point persuaded that the $2.60 rate is a valid rate. So the issue on which, for some reason, the Committee on Education and Labor was insistent, had to do with the report. If the Members will take a moment and simply look at the language in the resolution and look at what is being done, they will see that the report is to be submitted to the Senate Finance Committee, to the Senate Human Resources Committee, and to the House Committee on Education and Labor and that it simply excludes the Committee on Ways and Means. My question to the Committee on Education and Labor, to make sure we clarify where all of us stand, is whether or not the Committee on Ways and Means is to be excluded from the opportunity to receive this report.

Could I ask the gentleman from Kentucky (Mr. PERKINS) to respond to that question?

Mr. LOTT. Mr. Speaker, I am happy to yield to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. I thank the gentleman for yielding.

The gentleman from Louisiana was also going to yield me time, and I will take advantage of this kind offer to add additional comments.

I hope we can avoid a jurisdictional dispute here. There is no dispute over the need to extend the date for automatic coverage of multiemployer plans or over the need to increase the premium for single employer plans, although there may or may not be some question on the amount of the necessary increase. The real issue here is one of committee jurisdiction. This bill calls for the PBGC, the Pension Benefit Guarantee Corporation, to make a study of termination insurance for multiemployer plans and to report back to the Senate Human Resources Committee, to the Senate Finance Committee, and to the House Committee on Education and Labor.

The bill does not provide that the report is to be referred back to the House Ways and Means Committee. Although this procedure may be agreeable to the House Education and Labor Committee, we must point out that the Ways and Means Committee is very definitely involved in pension plan termination insurance.

There are several reasons why we are very definitely involved. First, there would not be any ERISA program or PBGC if we did not provide tax incentives when these plans qualify under the tax law.

Second, the law gives considerable responsibility to the Internal Revenue Service to enforce rules prohibiting self-dealing rules with pension plans and to enforce funding requirements for pension plans. These self-dealing and funding rules are a prerequisite for termination insurance. Without them, the PBGC would be insuring each employer's promise to contribute to his pension plan and would, in effect, be insuring against self-dealing.

In addition, the Secretary of the Treasury is a member of the PBGC's Board of Directors.

It is my understanding that H.R. 9378, which postpones the effective date for automatic coverage for multiemployer pension plans under the termination of insurance program of ERISA, was referred only to the Education and Labor Committee. It is my understanding that the chairman of the House Education and Labor Committee does not—or at least did not—agree with the proposition that termination insurance would be a shared responsibility between the Committee on Education and Labor and the Committee on Ways and Means.

I want to inquire of my distinguished colleague, the chairman of the House Education and Labor Committee (Mr. PERKINS) whether he will agree that the procedures involved in enacting this bill will not serve in any way to establish a precedent that the Ways and Means Committee does not have primary or considerable jurisdiction over the PBGC program.

Mr. PERKINS. Let me say to my distinguished colleague from Texas that the question only arose after we passed H.R. 9378. Then, the Senate added the increase in the premium for termination insurance for single employer pension plans, from $1 per participant per year to $2.60 per participant per year.

So, the Senate tied the concurrent resolution in which jurisdiction was shared with the Ways and Means Committee, to H.R. 9378. There is no question in my mind, and I fully agree with my distinguished colleague Mr. PICKLE that the Ways and Means Committee certainly shares jurisdiction over the substance of House Concurrent Resolution 369, the insurance premium increase for single employer pension plans.

I think there is no question about that in my mind, and we have operated on that assumption over the years. I certainly would not want to usurp or question the jurisdiction of the Committee on Ways and Means over the substance of House Concurrent Resolution 369, the insurance premiums for single employer plans. I think, myself, that we jointly share that jurisdiction. But be that as it may, the gentleman from Florida (Mr. GIBBONS) is chairman of this subcommittee, and in my conversation with the gentleman from Florida (Mr. GIBBONS) on a couple of occasions today I specifically stated to him that we would not undertake to thrash out or settle any jurisdictional problems in this bill, if we did proceed with it, because of the lateness of the hour. I wanted to give the distinguished gentleman from Texas my own viewpoint.

I would also like to acknowledge at this time the tremendous contributions made by two of our colleagues who are not present here at this moment. Mr. GIBBONS, the chairman of the Oversight Subcommittee of the Ways and Means Committee, has greatly contributed to the cause of pension reform, in his service on the Ways and Means Committee, and prior to that, on the Education and Labor Committee.

And of course, my dear friend, JOHN DENT, the chairman of the Labor Standards Subcommittee, who is not feeling well and is at home in Pennsylvania today, has tremendously and expertly contributed to the cause of pension reform over the years, including the termination insurance program which we are now discussing.

Mr. PICKLE. Mr. Speaker, will the gentleman yield further?

Mr. LOTT. I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Speaker, for the purpose of clarification, is it true that the House passed a concurrent resolution, House Concurrent Resolution 369, which approved a single-employer premium rate of $2.25, and an additional measure, H.R. 9378, which postponed the date for automatic coverage of multiemployer plans, and that those two issues were joined over in the Senate in one bill?

Mr. PERKINS. Yes.

Mr. PICKLE. It comes back to us from the Senate with both measures merged in a single bill, H.R. 9378, which was only referred to the Committee on Education and Labor here.

Mr. PERKINS. Let me assure the gentleman from Texas that under no circumstances would we state that we had sole jurisdiction over the House concurrent resolution which was attached to the Senate bill.

Mr. PICKLE. We also agree with the gentleman that they share responsibility and that the legislation is needed.

Mr. PERKINS. Absolutely. And I agree with the gentleman on that.

Mr. PICKLE. I just want to be certain that we are not establishing precedent, that that portion of ERISA, title IV I believe, it is refers to PBGC, that the Committee on Ways and Means has a very definite responsibility, and we are not by this legislation in any way decreasing our jurisdiction.

Mr. PERKINS. I agree with the gentleman on that, and I believe we will share that jurisdiction in the future, on all resolutions which would approve proposed premium rate increases, while the Committee on Education and Labor would retain exclusive jurisdiction over the balance of title IV of ERISA.

Mr. LOTT. Mr. Speaker, first of all, is there an emergency? Does the gentleman feel that this needs to be done at this time in order to prevent a very difficult situation with these pension plans between now and the first of next year?

Mr. PICKLE. Yes, we determined it is an emergency. We need this in connection with termination insurance. I think it is a most regrettable situation we are faced with today, because the situation that we have now, on December 7, 1977, is no different, basically, than it was in July, 1977. The members of the PBGC's board of directors should have made a recommendation to this body long ago, with reference to the amount of a proper premium, and the reasons for a premium increase. They were slow in doing it. Nevertheless, we do have plans that may be going under. Because of that, we need to increase the premiums. Therefore, there is a need to pass the legislation.

Mr. LOTT. Mr. Speaker, my next question is: To the best of the gentleman's knowledge, do the employers who will have to pay this increase from $1 to $2.60 agree that this needs to be done, and are they willing to go along with it?

Mr. PICKLE. There is no question that the bill will cost employers more money, but for a typical employer with 10 employees in a pension plan the increase from $1.00 to $2.60 per participant raises the premium to $26. That means, per year, just $16 more. That would not be a problem to the average employer. Of course, for the big plans, the costs will be greater, but there is no disagreement that the premium needs to be raised.

Mr. LOTT. In view of the colloquy with the distinguished Chairman of the Committee on Education and Labor, does the gentleman support this resolution (H. Res. 930)?

Mr. PICKLE. I will reply to the gentleman that I will support it. I do not like to establish a question of jurisdiction by saying we are not establishing a precedent and then passing a bill.

I think that is a rather poor way to go about this. However, we have a situation that is of rather an emergency nature. I think the legislation needs to be passed. This may be the last opportunity we may have to do it, and I hope we will agree to this resolution.

Mr. LOTT. Mr. Speaker, we are going to do something here to establish precedents on the question of jurisdiction, but we are saying that we are not establishing a jurisdictional question.

Mr. PICKLE. That is correct.

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

Mr. LOTT. I yield to the gentleman from Alabama.

Mr. BUCHANAN. Mr. Speaker, I join in urging the passage of this resolution. It is particularly needed to protect the pension rights of people all over the United States, and I associate myself with the remarks of the distinguished chairman of the Committee on Education and Labor, the gentleman from Kentucky (Mr. PERKINS).

Mr. LOTT. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LONG of Louisiana. Mr. Speaker, I have no requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SEVENTY-FIFTH ANNIVERSARY OF MANNED FLIGHT AND CENTRAL NEW YORK-LOCATED INSURANCE CO.

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

Mr. HANLEY. Mr. Speaker, I would like to take a moment to share with my colleagues the story of an anniversary about to take place in my home community.

In a recent report to policy owners, John F. X. Mannion, president of Unity Mutual Life Insurance Co., observed,

> Unity Life and Aviation were born in the same year—1903. How different our world is today! In 1907, Unity's entire bill for postage, telephone and freight was $31.43. Today, we spend over $125 a day for telephone service alone.

Need we mention the progress of aviation?

The year 1978 will mark the 75th anniversary of the technological breakthrough of manned flight and of the central New York-located insurance company. Though obviously unrelated, the insurance company and aviation both grew up, in a sense, with the country. Both were born at a time when American

life was still placid, when life revolved in a small circle around home and work and church, when the average family income was $1,500 per year, when the trolley was the fanciest form of transportation for most, and when saving for old age or having insurance was a luxury only for the rich.

The shatteringly profound effects of industrial technology in transportation, communications and manufacturing and scientific advances in medicine and research were just about to be felt in 1903 when the Wright Brothers got their "motorized kite" to fly at Kitty Hawk, and eight businessmen in Syracuse formed a partly fraternal-partly insurance organization "for beneficiaries in case of sickness, disability or death. Also for the purpose of providing money to insureds on attaining their expectancy in years."

Both events were to have effects far beyond their original significance. One, worldwide and now into space, the other, regional, but affecting thousands and thousands of families in the Northeastern United States.

As family income increased through industrial mechanization, Unity offered a means of saving and insurance protection to more and more wage earners in central New York through World War I and into the 1920s, evolving with the national economy, adapting its services to the changing economic circumstances of its market.

The company issued its first life insurance policy in 1923. That policy was part of a "Prosperity Club" plan which included both life insurance and a savings account, in a mutual savings bank. Within 18 months, more than 6,000 of these policies. whose average face value was $1,000, were issued. It was this plan, coupled with the expansion in 1934 into the coverage of children, which fully established Unity as an insurance company. Assets of Unity prior to the "Prosperity Club" plan were $30,000. In 1977, they total more than $59 million.

What Unity has demonstrated in reaching its 75th anniversary in such a sound financial condition is that a business founded within a given socioeconomic structure can, by adapting to a changing economy, by remaining flexible in its administrative policies and by stressing fundamental customer service, succeed in a marketplace of increasing complexity.

In 1903, the office was a $15-a-month room in an old opera house, serving essentially eight people. Unity Life today occupies gleaming new quarters in a campus-like setting overlooking the city of Syracuse. From this home office, 110 people conduct business in 15 States and the District of Columbia, where Unity Life is licensed.

As President John Mannion noted in recalling the common year of beginning for Unity Life and aviation, "How different our world is now."

GUILT BY ASSOCIATION

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

Mr. DERWINSKI. Mr. Speaker, in the last week of October, I was the subject of a speculative newsstory, sources undetermined, which alleged that I had "leaked" information concerning a South Korean KCIA agent who had defected from their government service.

I have noted with interest an article in yesterday's Washington Post claiming that "the Federal grand jury that began investigating South Korean influence-buying in Congress ended its 18-month term yesterday with the unusual step of presenting a secret report." According to the Post, the 2-page report was critical of me.

However, the story goes on to report that the grand jury did not see fit to indict me for any crime, and "prosecutors told the grand jury that there was not enough evidence to support a criminal indictment of Derwinski." This comes as no surprise to me.

I have no way of knowing whether such a report was issued, but if so, I find it interesting that a grand jury, which has been spending 18 months presumably investigating alleged South Korean influence-buying in Congress—of which I have never been accused by the grand jury or anybody else to my knowledge—ends up issuing only a 2-page statement, and apparently only critical of me, and having little if anything to do with the original purpose of the investigation.

Why have I been singled out? Is it because I am a Republican and believe firmly that we should suport the Republic of Korea as the best bulwark against Communist aggression from North Korea?

Who caused the grand jury to write a report on me? And who leaked the existence of this secret report to the Washington Post, and why?

You may recall that my name first came up in a story that was leaked to the Wall Street Journal in October from "senior officials of the government." Is it possible that these same officials, overcome by frustration, have now resorted to causing a "report" to be made and its existence leaked to the press, all for the purpose of confusing the public into believing there is a Republican involved in the so-called Korean scandal?

Since it is my practice to maintain close and friendly personal ties with members of the South Korean Parliament and officials of that country, have I become a bad guy in a black hat? A few weeks ago I had a long and friendly visit with a major official of an Eastern European Communist government. Under present Washington standards, does this make me the good guy in a white hat?

Mr. Speaker, it is obvious that there is a guilt by association act being played out in Washington, and any Member who vigorously supports our alliance with South Korea is automatically suspect. While I am not aware that any Member has publicly endorsed the North Korean Government, if someone would, it would probably be called an act of statesmanship.

Now, returning to the point of my statement, I wish to advise the House that my attorney yesterday requested the court to investigate the planting of this story which may be in violation of Federal law and the secrecy rules of the grand jury. When and if there is anything I can report on this development, I will do so.

GROWTH VERSUS NO GROWTH

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

Mr. REGULA. Mr. Speaker, I have begun speaking out on what I regard as a dangerous trend underlying our national public policy. The trend is toward ever slower economic growth; and if it continues, then we can expect to end up at no-growth, or—worse yet—minus-growth as in Sweden or Great Britain. We have embarked on this path unwittingly and in my view it is imperative that we initiate a national dialog on whether this country wishes to trade in its historic high-growth—and the benefits flowing therefrom—for slow-growth or even nongrowth.

When the question is put that way, I can think of nobody who would opt for slow-growth or no-growth. But it is not that simple. We seem to be failing to perceive how well intentioned discrete public policies—each one aimed at a meritorious social goal—is exacting an economic price in ever slower growth. What we are doing in sum, when one views of the totality of our efforts, is putting an ever greater burden on the diminishing growth part of our economy to pay for the swelling non-growth part of our economy.

You say that I am an alarmist? You say that we are too ingenious and energetic a Nation to commit the kind of economic folly that Great Britain or Sweden did? You say that Americans are too sensible to demand social benefits beyond their ability to pay for them? Well, I ask you to look at the recent explosion of Federal regulations, most of them now aimed at social goals like cleaner air, cleaner water, less noise, greater job safety, greater product safety, and so on.

These regulations have very worthy social goals—which I support as do my constituents—but they are not costless; and we pay those costs in slower economic growth, fewer jobs, and diminishing capital investment. For example, EPA's regulations alone, and this is according to their own estimates, will cost the economy an additional $40 billion per year by 1984.

What concerns me is not EPA's regulations per se, but the exponential rate of growth of all regulations. When we endorse an incremental form of Government action, we are looking at the particular, and thinking it deserving—which it probably is, but we are not looking at the sum and asking the price. Look at the sum. The Federal Government is imposing on our society more than 10,000 new regulations each year, and many of these regulations flow from the infant regulatory agencies that we have created in just the 1970's. Just think, agencies like EPA, and OSHA, and the Consumer Product Safety Commission are only babies in point of time but they already are household words. The recent action by OSHA in eliminating 1,100 nitpicking

regulations is a ray of hope in an otherwise dismal landscape.

What we need as an implicit guide to national policy—a commonsense common denominator if you please—is a pragmatic awareness that the price of achieving a discrete social goal through Government action is reckoned in slower economic growth. Such an awareness does not mean that we should not do things which we decide that we want, but it does mean that if we do one thing, then we have diminished our capability to do something else. We should be aware of that. Great Britain and Sweden—all socially homogeneous countries with great human talents and strong democratic traditions—failed to develop that awareness and as a result drained their economic prosperity. I do not want that to happen here.

PEARL HARBOR 1977

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

Mr. SCHULZE. Mr. Speaker, I would like to ask my colleagues to pause for a moment today to reflect on the significance of this date. December 7 is not only a date which will live in infamy, but a date during which each American who was alive at that time can remember exactly what he or she was doing when the news of Pearl Harbor was flashed across the airwaves.

That attack was the inception of a struggle in which many of the Members of this Chamber and the citizens which we represent committed their lives and resources. The reasons for making such a commitment were clear to all. The United States had been attacked; our social and economic system had to be sustained.

I submit that 36 years later the United States has yet again fallen under attack. As in 1941, our social and economic system must be maintained. It is my hope that the Members of this body are willing to commit their efforts and a small part of their resources to repulse the assault from abroad.

The attack of which I speak is, of course, economic. The source is the same today as it was on December 7, 1941. One has only to consider the trade figures for the preceding month to realize how extensively our defenses have been breached. In the month of November, this Nation imported $3 billion more than we exported. In large part these were; Japanese televisions, Japanese automobiles, Japanese watches and most of all, Japanese steel.

The interrelationships of international trade are complex, but the impact of Japanese steel products on our country is simple and clear. Americans are losing their jobs.

It is a characteristic of Japanese industry that once an employee is hired, he or she will generally not be let go in slack periods. There are no layoffs in Japan. One of the results of this fact is that there is overproduction, particularly in the manufacture of steel and steel products.

This excess is commonly sent to the United States for sale. The idea is not necessarily to make a profit, for frequently this steel is sold below the cost of production. It is sold at a loss because the Japanese believe it is more important to keep their factories and employees working. They can do this because their factories are, at present, more efficient than our own and our import laws permit it.

It is in response to this new and equally destructive attack that we Americans must defend ourselves. We must close the door to steel which is dumped on our shores and simultaneously give our domestic steel producers time to modernize and regain their competitive position.

The alternatives are potentially as devastating as they were in 1941. Thousands of steel workers are already unemployed. Others will follow. The balance-of-payments problem and the inflation which it fuels will persist and grow worse. The casualties of this action will be those unemployed and perhaps those who failed to take the necessary defensive measures. The social and political ramifications of this trend are incalculable and threaten our economy and standard of living.

It is for these reasons that I ask the Members of this body to respond as immediately and forcefully to foreign economic assault in 1977 as we did to foreign military attack in 1941.

U.S. INTELLIGENCE ACTIVITIES ARE INDISPENSABLE TO OUR FREEDOM

The SPEAKER pro tempore (Mr. DAN DANIEL). Under a previous order of the House, the gentleman from Arizona (Mr. RUDD) is recognized for 60 minutes.

Mr. RUDD. Mr. Speaker, for the past 4 years our Nation's intelligence agencies—particularly the Central Intelligence Agency—have been buffeted by a concerted attack against their activities.

We have all witnessed the unreasonable media attacks, the tell-it-all books by former CIA agents who have joined the other side and the congressional inquiries into alleged abuses of power.

Some of the criticism of official intelligence gathering activities has come from well-meaning but naive people who have recoiled at clandestine intelligence operations because they apparently do not recognize or accept the idea that the free world is still involved in a 24-hour-a-day war against Communist expansionism and subversion, in all its guises, throughout the world.

However, the main thrust of the attack against our intelligence community itself has been launched by ideological opponents of U.S. foreign policy over the years—particularly commitment to oppose and wherever possible to stop Communist expansionism.

These critics are mainly from the intellectual community, the media, the arts, and from the political world.

Some of them are ideological allies and supporters of Communist expansionism, who realize that an important victory for their leftist cause would be the decimation and ultimate destruction of U.S. intelligence activities—brought on by a piecemeal chipping away at the credibility, and security of intelligence gathering operations and the morale of the entire intelligence community.

Obviously, any ill-considered action by the President, administration official, Congress, or anyone else that contributes to this attack against our intelligence activities contributes to the overall strategy of our leftist ideological enemies.

Mr. Speaker, I would include in this category of ill-considered actions President Carter's decision last June to abolish the Foreign Intelligence Advisory Review Board, which provided the President with a wide range of top-level counsel on intelligence activities and problems, as well as acting as a important watchdog over intelligence operations.

I would include the administration's decision to bring charges against former CIA Director Richard Helms, for his proper refusal to give Congress secret information about covert intelligence activities in a foreign country—as well as U.S. District Judge Barrington Parker's intemperate and injudicious statements to Helms at the time of his trial.

I would also include Admiral Stanfield Turner's recent sweeping purge of at least eight top CIA station chiefs around the world—a highly questionable action that it is reported could result in the elimination of 1,000 of the CIA's important covert intelligence branch.

Mr. Speaker, through the great wisdom of President Harry Truman, then NATO Commander Dwight D. Eisenhower, and the Congress in 1947, all covert U.S. intelligence operations were entrusted to a Central Intelligence Service.

This Intelligence Service—now the CIA—was excluded from policymaking for the very good reason that it could then avoid, to the greatest extent possible, the bending of facts obtained through intelligence to suit a particular prejudice.

The world expansionist objectives of the Soviet Union, Communist China, and other Communist nations have not changed since the CIA was established to supplement the overt intelligence collection work of the State and Defense Departments.

Behind the iron and bamboo curtains still lie vast areas cut off and secreted from the rest of the world, where major military, technical, industrial, and nuclear installations exist, comprising the backbone of Communist power and threat against the free world.

These secret denied areas of the world are the major targets of CIA activities. It is from these areas that Communist plans and operations are spawned to implement Soviet and Communist Chinese warmaking intentions, as well as their supposedly "peaceful" political intentions.

The Soviet Union has raised the art of espionage to an unprecedented height, while developing the collateral techniques of subversion and deception into a formidable political instrument of attack. These are the techniques used by Soviet satellite regimes—such as Castro's Cuba—throughout Latin America and against the United States.

These grand scale operations, in support of overall Soviet policies of subversion and takeover go on in times of so-called thaw and under the guise of co-

existence with the same determination and vigor as in times of acute crisis.

Our intelligence operations have a major share of the task of neutralizing such hostile activities which present a common danger to us and to our allies.

Obviously the CIA's highly specialized and successful covert intelligence operations are essential to penetrate the security barriers of the Communist bloc. Our intelligence service must also maintain a constant watch in every part of the world, regardless of what is occupying the attention of diplomats and military people at any certain time since our vital national interests and those of our allies are subject to attack at any place in the world.

Several decades ago, no one would have predicted the events in Korea, Cuba, Southeast Asia, and Africa, where Communist insurgents have maintained an unremitting juggernaut to impose their will and their power upon peoples throughout the world.

Yet all these places have assumed grave importance to the United States and in our foreign policy.

It is impossible to predict where the next danger spot may develop. And it is the duty of our intelligence community to remain constantly alert, collect data, and to forewarn of such dangers wherever they may crop up.

Our allies depend upon a strong and effective U.S. intelligence effort and leadership in this area in order to recognize and counter threats to our individual and collective security.

All of us who are realists recognize that we are not "at peace," and can never be at peace with Communist regimes that have declared war on our people's freedoms and our system of government.

These Communist regimes constitute a closed, conspiratorial, police-dominated bloc of nations. As a major hostile force alined against the non-Communist world, these regimes ultimately depend upon the destruction of our own ability to be forewarned of their subversive activities or of their surprise attacks anywhere in the world, at the time and place of their choosing.

Mr. Speaker, I believe that it is time for individual Members of Congress and for the Congress itself to reaffirm our support for a strong and effective Central Intelligence Service.

As the most immediate elected representatives of the people at the Federal level, Congress must take the lead to stop the destructive chipping away at the security, and credibility of our Nation's intelligence activities, and the morale of our intelligence community.

This means that Congress must take steps to vigilantly reaffirm the vital need for and positive worth of all types of intelligence gathering operations by our Central Intelligence Service.

We must work to improve and responsibly prevent abuses of power by the Central Intelligence Agency and other intelligence agencies of the Federal Government.

We must work to discredit the ideologically motivated and masochistic attacks against the CIA and other intelligence operations by zealous extremists of the left and self-serving critics whose motives are not the improvement of our national security.

We must oversee intelligence activities and safeguard information about intelligence operations and data with the highest possible degree of security and confidentiality. Every effort must be made by Congress and individual Members of Congress to crack down against dangerous and sometimes purposeful leaks of highly sensitive intelligence information—both from the executive branch of Government as well as from our own committees or carelessness of Members of Congress and their staffs.

We must recognize the limits of Congress in reviewing and overseeing intelligence operations. Our job is to insure against abuses of power and to guarantee the integrity and confidentiality of all intelligence operations and information that come to our attention—not to second-guess our professional intelligence operatives over every action taken in the performance of their war-time functions, for they are always acting under the rules of war.

And we must work with responsible elements of the professional news media to find appropriate legislative means within our constitutional framework to prevent the unnecessary publication of intelligence information that is valuable to our enemies, and to deal more effectively with leaks from the executive branch of government.

Mr. Speaker, my purpose in taking this special order today is to start a frank, responsible, and worthwhile dialog on this subject of supporting and improving our Central Intelligence service—and to challenge those in our society who are hell-bent on the destruction of any meaningful U.S. intelligence operation.

I believe that most Americans still share the view of former CIA Director Allen Dulles, who declared in 1963 when the CIA was unfairly under attack following the political mistakes of the Bay of Pigs operation:

> It is not our intelligence organization which threatens our liberties. The danger is rather that we will not be adequately informed of the perils which face us. If we have more Cubas, if non-Communist countries which are today in jeopardy are further weakened, then we could well be isolated and our liberties, too, could be in jeopardy.
>
> The military threat in the nuclear missile age is well understood, and we are rightly spending billions to counter it. We must similarly deal with all aspects of the invisible war, Khrushchev's wars of liberation, the subversive threats orchestrated by the Soviet Communist Party with all its ramifications and fronts, supported by espionage. The last thing we can afford to do today is to put our intelligence in chains. Its protective and informative role is indispensible in an era of unique and continuing danger.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. STEERS) is recognized for 5 minutes.

Mr. STEERS. Mr. Speaker, yesterday, December 6, 1977, I was unavoidably detained and was, therefore, unable to vote on the preferential motion offered by Congressman ADDABBO that the House recede and concur in the Senate amendment No. 29 to H.R. 9375. This motion would have continued the program of last year that had the Federal Government provide assistance to those who are adversely affected by increasing utility costs due to a severe winter.

Had I been present, I would have voted in favor of the preferential motion.

LACKAWANNA COUNTY CONSERVATION DISTRICT RECEIVES "TOP NATIONAL AWARD" OF KEEP AMERICA BEAUTIFUL ORGANIZATION

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Pennsylvania (Mr. MCDADE) is recognized for 5 minutes.

Mr. McDADE. Mr. Speaker, I would like to bring to the attention of my colleagues a singular accolade that has been bestowed on the Lackawanna County Conservation District in my congressional district in Pennsylvania.

They have received the top national award of the Keep America Beautiful Organization, Inc. (KAB) for the second successive year. Besides this, their entry has been enrolled in the KAB President's Society, the most prestigious honor of the organization. Only 12 States have ever received this commendation since its inception in 1973 and this is a first for the State of Pennsylvania. To be eligible for this honor a group must have received a first place national award during the past 3 years. Competition nationally for this honor was very keen.

Most of the work performed under the successful project was done by the youth of seven local schools under the guidance of the district's youth activities committee cochairmen, Sister M. Laurence of Marywood and George Shepuk, district director, and the project coordinator, Sylvester Kazmerski. Other conservation district officials to be named for their efforts are: Kenneth Seamans, William Lange, Norman Miller, Ray Harris, Glenn Miller, Edward J. Zipay, and Dolores Matthews.

Over 52,000 evergreens, flowering shrubs, and plants had been planted in open spaces throughout the county as well as the planting of 1,700 petunias in sidewalk containers in downtown Scranton.

I am very proud to represent a district where concern for the physical appearance of an area is a united effort. I believe it is a credit to the Keep America Beautiful organization and the local organizers but more importantly to the youth who have placed the Lackawanna County Conservation District in an environmental Hall of Fame through their voluntary efforts.

GUARANTEES FOR HANDICAPPED PARKING RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. PURSELL) is recognized for 5 minutes.

Mr. PURSELL. Mr. Speaker, earlier this year, the Committee on Science and Technology, of which I am a member, published a report made to the committee by the Panel on Research Programs

To Aid the Handicapped. One of the major findings of the panel was that there is very little being done to evaluate the service or equipment needs of the handicapped. Furthermore, it was found that the economic investment in research and development for the handicapped is too miniscule to cope with the scope of potential benefits and needs.

The findings of this panel may surprise the average citizen, who has experienced a growing awareness of problems encountered by the handicapped in recent years. While it is evident that our scientific and technological resources are not being utilized to their full potential in this area, I think the real tragedy is that many of us fall far short of what we can do personally to help handicapped persons enjoy fuller, more complete lives.

One very simple way in which we can all participate personally is by helping to make ambulation a little easier for the handicapped. Many units of Government have taken action toward this goal, such as providing convenient, reserved parking spaces for the handicapped. Unfortunately, handicapped parking privileges are often abused by nonhandicapped people. This abuse is unfortunate and sad, but there are constructive methods we can use to insure the rights of the handicapped.

My own State of Michigan has recently enacted a law which makes it a misdemeanor for nonhandicapped persons to park in those spaces reserved for the handicapped on public and private property. The Michigan secretary of state's office has indicated that handicapped persons in Michigan are participating in this new law as the number of applications for the necessary identification for handicapper's vehicles has risen dramatically. In my own district, law enforcement officials have publicly stated that they intend to enforce this law fully. I applaud Michigan's efforts in this regard.

My interest in the problems of the handicapped, coupled with the success of the new Michigan law, has led me to develop legislation of a similar nature at the Federal level. Today then, I am introducing a bill, based on the Michigan law, which instructs each State to establish a system of identification of motor vehicles used by handicapped individuals, and penalties for improper use of parking spaces reserved for handicapped persons. Each State which does not already have such a law would be required to enact one, based on Federal guidelines, within 2 years of enactment of my bill. This bill does not mandate that a State provide parking spaces for the handicapped—it simply insures that those spaces which are provided are protected by law, whether on private or public property.

This is a small way of making the lives of handicapped persons fuller and more complete. However, it is a way in which everyone can participate and that is very important. Our awareness of the problems of the handicapped needs to grow and this is certainly one seed to help make it grow.

PERSONAL EXPLANATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Tennessee (Mr. DUNCAN) is recognized for 5 minutes.

Mr. DUNCAN of Tennessee. Mr. Speaker, yesterday, Tuesday, December 6, 1977, I was present and recorded as answering the quorum call No. 760 at the opening of the House. A short time thereafter, on rollcall No. 761, the CONGRESSIONAL RECORD indicates that I was among those not voting. I did not leave the Chamber during this entire time, was present and voted "yea" with my electronic card. For some reason the electronic system did not receive or record my vote. This issue passed by a vote of 357 to 0, however, I include this statement as part of the record of proceeding of the House of Representatives.

As a matter of information, on rollcall No. 762, I was properly recorded present and voting.

MEDICAL EXPENSE TAX CREDIT ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina (Mr. MARTIN) is recognized for 5 minutes.

Mr. MARTIN. Mr. Speaker, I am today introducing the Medical Expense Tax Credit Act. This bill, similar to the one that I introduced in the last Congress, is a catastrophic health care program operating through the Tax Code. If enacted, it will insure that no American family, or individual, should be financially wiped out by medical expenses.

The Medical Expense Tax Credit Act—or, acronymically speaking, METCA—provides a refundable tax credit of 85 percent of medical expenses which exceed 15 percent of one's modified adjusted gross income, and a 100-percent credit when out-of-pocket expenses exceed 25 percent of AGI, as modified. By way of explanation because I am tossing in a new concept, the modification to adjusted gross income is the addition of the untaxed half of capital gains and of otherwise tax free State and local bond interest and the subtraction of personal exemptions.

We have all heard the horror stories about medically induced financial disasters put forward as justifications for $50 and $100 billion womb-to-tomb health care, and comprehensive national health insurance programs. All these horror stories revolve around typical wage earner families being wiped out by $10,000 and $20,000 medical bills. METCA would take care of those situations by guaranteeing that a family of four with income of $10,000 could not possibly be stuck with more than $1,750 in bills in a year for any combination of doctors, hospitals, psychiatrists, health insurance premiums, chiropractors, or dentists. The cost is shockingly low: $3.7 billion.

This bill contains no provision for a new bureaucracy to provide new guidelines and new regulations. The basic principle is that an expense which today, under the Internal Revenue Code, is deductible, would, tomorrow under METCA, be an expense eligible for the METCA credit. Neither does the bill provide any new cost containment provisions. It relies on the most effective of all possible inducements to consumers' and providers' sticking to the straight and narrow: the implicit threat of an IRS audit. If we need additional cost containment under METCA, then we can add it. Frankly, if we leave METCA's policing to the IRS, I doubt we will have the need of very much legislation along the lines of what we have had to do vis-a-vis medicare and medicaid this year.

I do not presume to suggest that this latest version of METCA is the ultimate answer to America's health care needs. I do suggest, however, that it is an affordable alternative to proposals which would get the government into the management of medicine and bankrupt the Treasury in the process. It is my belief that we have an obligation to solve the problems highlighted in the stories about the horrors of unmanageable medical expenses. Usually, these horror stories involve people who fall between the cracks of existing private and public programs: the people who are uninsurable, who are between jobs (and thus between group plans), the people who could, but did not sign up for insurance they were eligible for and could afford, and some few cases of pure flukes.

METCA does leave on the shoulders of the individual a fairly significant responsibility for his own care. In and of itself, it provides no "first dollar" coverage. It does not say to the individual, "You can spend as much time in the cozy doctor's office as you want and Uncle Sam will pay for it." It says, instead "You have a responsibility to budget for medical, hospital, and dental expenses just like you have a responsibility to budget for rent and food, and the result of your failure to budget for any will be the same. But, you can be sure that you will never, under any wild circumstances, ever have to budget more than 20 or 25 percent of your income for any combination of health care costs." I believe this is a very fair bargain to offer a responsible public.

THE DEATH OF STEPHEN BIKO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. MATTOX) is recognized for 5 minutes.

Mr. MATTOX. Mr. Speaker, on August 18 of this year a man—engaged not in crimes, but in civics—was arrested and held without charge. We are told it had something to do with pamphlets, that is, the expression of ideas. The weak and poor use pamphlets while rich and powerful people can disseminate their ideas through declarations or official acts. This man's freedom was taken away under provisions of an official act.

He was kept in confinement for 26 days, naked and chained to his cell most of the time. If giving someone the shirt off your back expresses optimum regard, then taking the shirt off another can express optimum contempt.

During his imprisonment he was denied access to anyone who might look after his interests, including, as it was, his interest in being alive.

On the final day of his life, then in a critical condition, he was subjected to a 750-mile automobile ride. At the end of it, still naked and shackled, he was placed in another cell. Given no medical attention, there he died.

The same authority which had arrested and imprisoned him, then provided for an official inquest to determine who had been responsible for his extinction. Medical people reported that his brain, that is, the main part of him used for expressing ideas, had been rendered inoperative, which then caused his life to vanish from this world altogether. "Severe brain injuries resulting in kidney failure," they said, had caused his death.

At the end of the official inquest, the magistrate ruled that the authority which had taken away this man's freedom, nevertheless, was not responsible for taking away his life, the magistrate speaking as the duly appointed officer of the, in effect, self-exonerating government.

Stephen Biko, the man who died, was a threat to the current Government of South Africa. His death is an outrage, because, rather than correct the conditions which makes that country vulnerable, the government chose to suppress the voices of conscience. The conditions which brought this death about cry out for the strongest condemnation by the international community.

"Let every man make known what kind of government would command his respect," said Thoreau, "and that will be one step toward obtaining it." The minimum requirement for a government to be respected is that it not destroy people because of their political or religious convictions. Killing those who express their convictions courageously is a weak act of barbaric paranoia, in South Africa's case, the paranoia of racism.

It is fortunate that the mechanism of martyrdom will cause us to have a closer look at the conditions of Stephen Biko's death. It can be seen more clearly than ever that if the prosperity of South African whites can only be maintained by the suppression of blacks, such prosperity is based on a total poverty of the spirit.

The first congressional representatives of the United States spoke of grievances and oppressions, the power of self-evident truths and the unalienable rights of all people. In 1776 they pledged their lives to defend those rights and appealed to the world for help.

It is easier today for us to speak of human freedom; in our country personal liberty is not so threatened, nor does the simple act of speaking in support of human dignity and universal sufferage jeopardize our safety. But now there are others who appeal to us for help. Are we listening? Do we care?

It was Martin Luther King, Jr. who said, "injustice anywhere is a threat to justice everywhere."

AMBASSADOR YOUNG'S CRITICISM OF RHODESIAN PRIME MINISTER SMITH'S INITIATIVE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. ICHORD) is recognized for 10 minutes.

Mr. ICHORD. Mr. Speaker, for some time now I have attempted to convey to this body my concern for the situation in Rhodesia or Zimbabwe. I have expressed concern regarding the folly of U.S. policy based on biased intelligence, misinformation and ignorance and have attempted to insure that the actions of this body not have a destabilizing effect on the internal affairs of Zimbabwe.

We have had a number of opportunities to encourage an internal solution and promote stability, yet by a narrow margin we have elected the other course. Such was the case in the authorization and appropriation of funds for a South African Special Requirement Fund.

Now I personally find the epitome of ignorance displayed in Ambassador Andrew Young's public reaction to Prime Minister Ian Smith's announced willingness to hold one-man, one-vote elections in Rhodesia. Such a reaction to a peace initiative, particularly coming on the heels of the praise heaped on President Sadat, appears incredulous.

Young's criticism of the Smith initiative focuses on nonrecognition of rebel elements outside Zimbabwe and the fact that Smith, through his proposed course of action, would attempt to protect the rights of the white minority.

If our Ambassador to the U.N. is really interested in promoting world peace he certainly must recognize why externally based, Marxist supported rebels cannot be given a role in the transition process. These forces represent a minority of the Zimbabwe people and are dedicated to forcing their will on the majority by militant means. Andrew Young's statements serve only to promote and advocate open rebellion. Such a stance, with the obvious resulting bloodshed is incomprehensible. Unfortunately, I must therefore challenge Ambassador Young's motives and his qualifications.

He would have you believe that if these outside rebel groups are not included in the transition process, fighting will be intensified. While this may ultimately happen, and I pray that it does not, it would appear that the putting down of such rebel activity should be a function of the duly elected majority Government of Zimbabwe. The potential to do so certainly exists. The Karangas, a part of the Mashona, who constitute 80 percent of the black population of Zimbabwe, also constitute over 60 percent of the Rhodesian Army. Such a force would certainly be loyal to a duly elected majority ruler and dedicated to the maintenance of peace.

Ambassador Young's other criticism addresses Prime Minister Smith's efforts to protect the rights of the white minority. In this country, blacks are dedicated to protection of their rights as a minority—why then is it so surprising that Smith would have similar goals in Rhodesia. Does the color of one's skin or relative numbers change an individual's quest to protect his rights—I think not.

The whites in Zimbabwe have not merely exploited the blacks as some would have you believe, they have contributed to the advancement of the blacks in areas of business and economics, in education, in medicine, etc. The state of Zimbabwe today is a result of white leadership and the joint labor of both blacks and whites together. The white minority of Zimbabwe has an investment in the heritage of Zimbabwe, just as the blacks in this country have an investment in America. Both investments deserve to be protected.

In conclusion, I would say that Ambassador Young's reaction to the Smith initiative is contrary to fostering peace in Zimbabwe, is contrary to our attempts to promote a transition to majority rule, is destabilizing, and advocates rebellion and will increase bloodshed both black and white. I do not believe that this body nor the American people should countenance such a position contrary to American and Zimbabwe interests on the part of our Ambassador to the United Nations.

Mr. Speaker, I insert a related article from the Columbia (Mo.) Daily Tribune entitled "Rhodesia's Smith: Joining the Peace Making Parade" be inserted in the RECORD at this point and would encourage my colleagues to join in applauding the initiatives of Prime Minister Smith as it has the efforts of President Sadat in the Middle East.

RHODESIA'S SMITH JOINING THE PEACE-MAKING PARADE

It's almost as if Rhodesian Prime Minister Ian Smith wanted to upstage Egyptian President Anwar Sadat.

Last week Sadat made a dramatic trip to Israel in search of peace, a move that hardly anyone would have predicted as late as the day before it was announced. Then, not to be outdone, Smith last Thursday offered to hold one-man, one-vote elections in Rhodesia, a turn of events that, if consummated, would surely lead his country to the black majority rule he has opposed for so long.

As in the Arab-Israeli situation, there is much that will have to happen before the millenium comes in Rhodesia. But for the country's leader to make such a move in the direction of universal adult suffrage when his white constituency is outnumbered 25 to 1 is quite an event, indeed.

Not surprisingly, our excessively loquacious ambassador to the United Nations, Andrew Young, took the occasion to condemn Smith, saying the prime minister's offer was a deceit that, if anything, would intensify the fighting. Young has a point in that the offer falls short of what the most militant black groups want, because the prime minister coupled his offer with a suggestion for protecting the white minority after a black government takes over. And, to offer another possible explanation for his outburst, Young is probably reacting in part because he is a black man commmenting on a black-white struggle.

But, in our view, Young should have acted more responsibly. As U.N. ambassador, he should have taken a more positive tone, using that context to explain (if he had to at the very moment of initial reaction) the shortcomings of the Smith plan. Instead, Young acted like a representative of the most militant guerrillas in Rhodesia—too partisan for a third-party official to act. In his job as U.N.

representative, Young should be a national official first and a black man second. It's little wonder Prime Minister Smith has been reluctant to accept Ambassador Young's peace plan. Young's manner would make it hard even if the plan might provide an element in eventual progress. Young should grow up a bit.

Smith seemed to have the same reaction as that of Sadat and Israeli Prime Minister Begin; he would just as soon handle his own peace-making efforts as have the United States mixed up in it. In a twisted-about way, perhaps the poor job the U.S. has done of getting antagonists together has worked toward peace. The embattled parties may subconsciously think they had better do something on their own before we screw things up royally for them.

The last American envoy, Henry Kissinger, was better at this sort of thing. He shuttled about, trying to solve one problem at a time, avoiding overt, simple-minded criticism of the type Young too often lets forth. It's likely that Kissinger's work has had much to do with encouraging leaders like Begin, Sadat and Smith closer to the peace table.

Despite Young's potshots from the side and the Rhodesian extremists' diatribe, Smith's dramatic announcement can only bring the nation closer to peace. The moderate black factions there have said it provides a new basis for trying to work out a deal, and they are willing to sit down right away with the government to talk about it. This turn of events should be enough to cause the guerillas and others to stop killing each other while they see what happens.

The militants have an answer for this, of course. They say Smith is only trying to buy time and that the only way to bring "justice" in Rhodesia is to intensify the fighting. This attitude offers only one avenue to governmental reform, one that is swimming in blood.

ILYA S. GINZBURG

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 10 minutes.

Mr. FRASER. Mr. Speaker, today I am participating in the project coordinated by Congressman DRINAN on behalf of Soviet Jews who have been thwarted in their attempts to leave the Soviet Union. I feel it is important to make known our concern about the Soviet Union's violation of basic liberties that are the subject of the Helsinki Agreement and the Universal Declaration of Human Rights.

I would like to bring to the attention of my colleagues the case of Ilya S. Ginzburg. Mr. Ginzburg is a 39-year-old engineer from Leningrad. Before applying for an exit visa in 1971, he worked on the design of electronic apparatus. He is now employed in a low-paying, menial job. His wife, Eleanora, immediately lost her job as a teacher upon application for an exit visa, and was never able to find another.

The Ginzburg family made the decision to emigrate to Israel in 1971. At that time, Ilya's 78-year old father and his brother were granted exit visas, but Ilya's application was denied because of the nature of his job. He was told that he would be permitted to leave Russia 5 years after leaving the secret project. These 5 years have now elapsed. During this time the Ginzburgs have been forced to subsist on the pittance Ilya makes each month. Their hope has been that the Soviet officials would keep their word in granting the exit visas.

In February 1975, Ilya's father applied through the International Red Cross to be reunited with his son. The request was sent to the Soviet Red Cross and then forwarded to OVIR, the visa office in Leningrad. In May 1975, these officials told Ilya of his father's Red Cross request. They maintained that Ilya's own visa application had been sitting too long, and since he had not reapplied himself, he was no longer considered an applicant, or, in Russian terms, a "refusenik." Simultaneously, officials sent a message to the International Red Cross that there was no Ilya Ginzburg in their files.

In October of 1976, Mr. Salman Ginzburg, Ilya's father, wrote from Israel:

I am 83 years old now, and won't be able to wait for my son much longer. My fervent hopes for the success of your generous enterprise come with this letter.

Mr. Samuel I. Horowitz of Minnesota has provided me with the following letter from Ilya, which he obtained during a recent visit to the Soviet Union. The contents follow below:

SEPTEMBER 16, 1977.

Representative DONALD FRASER,
Subcommittee on International Organizations, Washington, D.C.

DEAR REPRESENTATIVE DONALD FRASER: I am a Russian Jew, one of the thousands who want to live in Israel, on my land, promised me by God with my father and brother.

I haven't been working for 6 years in so called "secret work".

My father, Solomon Ginsburg, 84 years old dreams to live with us. He sees his granddaughter at night in his dreams and writes us to hurry because he is old and everyday in waiting is hard for him.

According (to) the International Human Rights (agreements) nobody should prevent us to reunite.

Please help us to be together with my family.

Sincerely yours,
ILYA GINSBURG,
Parkhomenko 42, Apt. 78,
Leningrad 194021 U.S.S.R.

It is my hope that with the support of this Congress, Ilya and Eleanor Ginzburg, and many others like them, will be able to realize their basic human rights as guaranteed by the Helsinki Agreement.

THE PRODUCT LIABILITY TAX RELIEF ACT OF 1977

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. LAFALCE) is recognized for 5 minutes.

Mr. LAFALCE. Mr. Speaker, as you may know, the Subcommitte on Capital, Investment and Business Opportunities, of which I am chairman, has been conducting a most extensive investigation into the problem many small businesses are experiencing in the availability and affordability of product liability insurance. In fact, because of their inability to obtain this insurance at reasonable cost, many firms are going "naked".

As a result of these problems, there is an immediate need for congressional action. While the subcommittee is in the process of preparing a report and comprehensive legislation affecting the entire area of product liability insurance, both of which I intend to have prepared when we next meet in January, it is important to get a viable interim measure before the House to alleviate these difficulties as expeditiously as possible.

Accordingly, I have introduced today the Product Liability Tax Relief Act of 1977. While this bill is conceptually similar to others in that it creates a tax deduction for self-insuring against contingent product liability claims, it is nevertheless significantly different in several important respects.

The bill permits a taxpayer to deduct cash amounts contributed to a trust, the purpose of which is to provide payment for product liability claims. The effect of this is to enable the taxpayer to self-insure against these claims with pretax dollars. The definition of product liability includes all circumstances under which there may be exposure.

As the trust is tax exempt, there is no tax liability so long as these funds are used to satisfy product liability claims (including expenses of investigation and administration of claims).

The bill contains a variety of provisions the effect of which will be to eliminate all tax avoidance potential of this new product liability trust concept. This is done by limiting contributions to those made in cash, by limiting the amount of the deduction, by providing that trust funds can revert to the taxpayer only upon the cessation of the trade or business, and by the imposition of excise taxes for tax avoidance transactions.

I urge all Members to support this much-needed measure so that it may benefit American businesses experiencing product liability problems as soon as possible.

ECONOMIC IMPACT STATEMENT FOR GOVERNMENT REGULATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Georgia (Mr. LEVITAS) is recognized for 5 minutes.

Mr. LEVITAS. Mr. Speaker, today I am introducing a bill which would amend the Administrative Procedures Act to require the preparation and development of economic impact analyses for all rules and regulations required to be published in the Federal Register. These economic impact statements would also be published in the Federal Register. They would include a detailed analysis and discussion of the impact the regulation would have on the economy.

I consider this legislation to be a vital part of the many pieces of regulatory reform legislation pending before this Congress. We have all heard many horror stories about the direct and indirect cost to the American people of Government regulations. I most recently received a copy of a letter to the President from a small businessman in Georgia regarding the economic effect Government regulations have had on his business. The letter started out with the statement, "You win! I quit!" This small businessman was driven out of business by the costs of complying with Government regulations and filling out Government reports. His 29 employees are now out of a job.

The regulatory agencies promulgate rules and regulations which have signifi-

cant economic impact upon those persons and businesses required to comply, but there is no requirement for a systematic analysis of the potential direct or indirect economic effect of those rules and regulations. Regulations should only be promulgated after an analysis of whether the benefits to be derived from the proposed rule would exceed any negative economic impact.

Mr. Speaker, I am not introducing this legislation so that, if enacted, it could be passed over with a simple sentence such as, "There would be no adverse economic impact from implementing this proposed regulation." My bill requires a detailed analysis that would address the cost impact of the regulation on consumers, businesses, markets, and Federal, State, and local governments. It would deal with the estimated cost of implementing, monitoring, and enforcing the rule by the agency, the effect of the rule on employment and the fiscal effects of any predicted increase in unemployment if the analysis so indicates, the effect of the rule on competition and on supplies of important products and services, and the effect of the rule on productivity of wage earners, businesses, and Government. It would also require the alternatives that were considered by the agency to the proposed rule, to be published along with a finding as to why the alternatives were not proposed.

I notice that President Carter in his Executive order "Improving Government Regulations" published in the November 18 Federal Register, endorsed this concept of regulatory economic impact analyses. I see no reason why, then, that this legislation would not be made part of the statutory requirements for promulgating regulations. This would insure that such analyses are accomplished and available to Congress and the public. It would also insure that future administrations would not be able to change this policy.

This legislation would go far to improving the public's confidence in its Government because it would make that Government better. I urge my colleagues to support this proposal.

SOCIAL SECURITY FINANCING: TIME TO TALK GENERAL REVENUES

The SPEAKER. Under a previous order of the House, the gentleman from Wisconsin (Mr. REUSS) is recognized for 5 minutes.

Mr. REUSS. Mr. Speaker, we are faced with a desperate need to overhaul the financing of our social security system. For more than 2 years, the media have pointed out the financial difficulties facing the social security trust fund. There is no question that the system is in trouble. A sharp decline in the birth rate, steady increases in the level of benefits, and a severe recession, coupled with a slow recovery, threaten to push the trust fund deep into deficit over the next decade.

The financial health of the social security system is of immediate importance to millions of retired people and provides the retirement base for almost the entire American work force. There is not a man or woman in this Chamber who has not felt hometown concern about secure retirement income.

In meeting the future needs of the social security system the Congress could move in a number of directions. Tax rates could be increased as could the amount of income subject to the social security tax. Benefits could be readjusted. The system could be broadened to bring in more affluent workers. Or the Congress could turn to general revenues and the progressive income tax to bear part of the retirement burden.

In fact, the Congress considered moving in almost all these directions at once. The House-passed version of the social security financing bill included small increases in social security tax rates, coupled with sharp increases in the amount of income subject to the tax. The so-called "double indexing" problem was also eliminated, so that benefits would no longer rise more rapidly than the cost of living.

The Senate approach also relied largely on the traditional payroll tax. Compared to the House bill, the Senate put somewhat more weight on higher tax rates, and somewhat less emphasis on a rising tax base. The Senate did depart from an historical pattern. From the inception of the social security program, employees and employers have paid social security taxes in equal proportion. The Senate broke with that practice by proposing to put more of the new tax burden on the employer.

Mr. Speaker, I know well that the bill now in conference has not been the product of a hasty process. Demographic studies and statistical analyses preceded congressional action. But if we accept the conference report as now being written, we will be asking the country to pay a needlessly high price for retirement security.

By continuing to rely on the payroll tax, we are exacerbating an already serious unemployment problem, threatening an often anemic recovery, courting more inflation, and doing little to alleviate the inequities of a regressive tax. Worse—the obvious alternative of general revenue financing has been shunted aside, only to reappear as a backdoor salvation for expected economic difficulties. It is time we walked directly to the right solution, rather than engaging in this social policy two-step.

There are almost 7 million Americans still looking for work they cannot find. Despite that staggering figure, we have persisted in using payroll taxes to finance unemployment compensation as well as social security. Higher costs for labor discourage hiring, accelerate the adoption of laborsaving machinery, and even influence the future course of technological innovation.

Nor can we ignore the inflationary implications of higher payroll taxes. Not only will the impact of higher payroll taxes ripple through an increasingly indexed economy. Worse, the future schedule of increases will be part of the public record for all to see and incorporate in their future pricing decisions.

Dare we ignore the future course of the recovery? An expected slowing in early calendar 1978 could turn into recession by 1979 unless corrective action is taken next year. In any case, a tax increase is not indicated. With one eye on the recovery and another on the prospect of sharply rising social security taxes, the administration has already begun to talk about a $20 billion tax cut next year to keep the workingman whole and the economy running smoothly.

What is so striking about all this is that general revenues are kept hovering in the background to ameliorate the bad effects of rising payroll taxes. In a very real sense, the Senate approach has already brought general revenues into the social security system through the side door. Putting a greater burden on corporate employers, the Senate has indirectly increased business deductions, and therefore, reduced the corporate tax liability of most corporations. Social security trust funds go up and general revenues go down. It looks like general revenue financing, but apparently the indirect rise has a sweeter smell for the Senate.

The administration proposal for a 1978 tax cut is basicaly more of the same. Social security trust funds are to be increased with payroll taxes, while general revenues are to go down in order to repair some of the inequities of payroll taxes and to avoid any fiscal drag on the economy. The effect will be a general mismatch of benefits and losses. And even if this economic balancing act manages to offset some of the worst effects of the payroll tax rise, the burden that the rise places on workers and their employers will not so easily be lifted. Payroll costs will still go up, and the proinflation, antiemployment effects of that increase will still be with us.

What we should have done, and should still do, is to turn directly to general revenues to help finance the social security system. If we turn to the progressive income tax, we lessen the dependence on regressive payroll taxes, avoid inflationary pressures, encourage employment, and pose no threat to the recovery.

There are, however, two arguments raised against the use of general revenues. The first suggests that without the discipline of the payroll tax-trust fund approach, there would be no limit on the amount of general revenues allocated to retirement income. Not at all. Trust funds and special taxes are the exception, not the rule, in the Federal budget. We do not rely on a defense trust fund or space trust fund to restrain expenditures. With the advent of the Budget Control Act and a new sense of congressional power and responsibility, the Congress has never been better prepared to talk intelligently about how much money should go where.

The second argument strikes deeper and sounds a responsive chord in most of us. If we turn to general revenues, are we formally admitting that social security has become another welfare program? I have wrestled with this thought myself—but I have decided no.

What social security has become for people is their basic retirement plan.

I see it more and more as society's version of the gold watch for a lifetime of work and service. The program was never designed to get you rich, but rather to get you by. Social security payments already ignore differences in an individual's lifetime earnings. And in breaking the direct link between past earnings and retirement income, society also ignores the vagaries of bad luck, the unexpected illness, the crippling accident, as well as good fortune and health. The past generation carried other burdens, including part of the retirement costs of those that preceded them. We can and should talk about how much children and grandchildren should pay for their parents and grandparents. But to say that society will see that every elderly person has a certain minimum retirement income just does not sound like welfare to me.

Mr. Speaker, I realize that the political pressures for the proposed payroll taxes are great. And we must take some action quickly. But if, in the face of the augury of inflation and unemployment, we enact in haste a payroll tax increase, we will almost surely repent at leisure. We should postpone final action on social security until the new session. And before we consider the social security system again, I ask my colleagues to take a long and hard look at general revenue financing.

The great industrial countries of Europe have for almost a century used general revenues for this purpose. It is time that we did, too. To paraphrase the old hymn:

It was good enough for Bismarck,
It was good for old Disraeli,
It was good for Georges Clemenceau,
And it's good for you and me!

FIRST SESSION WRAP-UP—95TH CONGRESS

(Mr. RHODES asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RHODES. Mr. Speaker, the best Christmas present the 95th Congress could give the American taxpayer is to adjourn. Unfortunately, the Democratic leadership continues to force a year-end compromise on a bad energy bill in order to save face for President Carter. This "in-again, out-again" ending is par for the course and fits right in with the inconsistent performance of the 95th Congress.

The usual end of session accounting to the public reflects the fact that, as usual, the musclebound majqrity in Congress is excessively long on promise and woefully short on performance. Even the length of the report filed by Democratic Whip JOHN BRADEMAS cannot disguise the onerous tax increases and questionable legislation the majority has engineered through the House.

The Democrats wax eloquent in favor of reducing unemployment and then pass a bill raising the minimum wage, despite strong evidence that it would increase unemployment among the lower bracket wage earners, blacks and young people. The Democrats speak of reducing inflation and the burden of government on the "little guy" and then pass an energy bill in the House that will cost the average family of four $2,000 in new taxes over the next 8 years.

On the other hand, we Republicans have been hard at work developing and offering positive programs in such critical areas as energy and social security that we believe will provide long-term solutions without imposing undue costs or further burdening American citizens with governmental redtape. Following my remarks is a summary of the major Republican initiatives this session.

A more detailed and cogent analysis of this session of Congress has been prepared for the Republican leadership by Congressman BILL FRENZEL, chairman of the Republican Research Committee. Our synopsis is not intended as a response to the Democrats' summary, but rather is designed to present a more balanced and objective perspective. I do not intend to repeat Congressman FRENZEL's first-rate effort here, but I would like to offer a few observations on what I believe the 95th Congress has done, particularly to the American taxpayer.

In the field of taxation, President Carter set the stage with his campaign promise that he would "never increase taxes for the working people of our country and the lower and middle income groups." Yet his legislative technicians in this Democrat-dominated House have passed social security and energy legislation that will raise the effective tax burden on all American taxpayers by more than 80 percent in the next 4 years. That would amount to an additional $1,000 in taxes each year over the next 4 years for every taxpaying family. On the basis of total tax receipts, the Democrats would increase tax revenues from $299 billion in 1976 to $590 billion in 1981—an increase of more than 97 percent in just 5 years.

At the same time, the Democrats have rejected five efforts by House Republicans to cut Federal income taxes. When the Republican leadership mounted a strong initiative in October behind legislation to cut personal income taxes by an average of 33 percent, and corporate taxes by 3 percent, it was stoutly opposed by the Democratic Chairman of the Appropriations and Ways and Means Committees. Now we are hearing noises that a tax cut may be in order—not to improve the economy, but merely to compensate for President Carter's proposed increases in "other" taxes. In other words, the Government will take with one hand and give with the other, while keeping a bit for itself, unfortunately, to pay for the effort involved.

On the economic front, the measures proposed and passed are simply going to raise costs without improving productivity. The Democrats' flip-flop economic policy continues to depress the stock market and shackle the economy, forcing it to limp along in low gear. I have already mentioned the minimum wage bill, which will not reduce unemployment one iota, but will raise costs to business and threaten many small businesses. The massive Democratic jobs stimulus program in the public sector has produced few tangible jobs and contributes to Federal spending that has driven the national debt to a new high of $700 billion. The inflationary impact of continued Federal spending is tremendous, with the result that business investment and expansion suffers, jobs are not created in the private sector and our economy remains sluggish.

President Carter promised to balance the budget by 1981. Federal spending continues at record levels and shows no signs of being controlled by either the President or Congress. If the budget is to be balanced, it could only happen by increasing taxes. Perhaps the Democrat-dominated Congress is taking the first steps along that road with the new social security and energy tax proposals.

In the field of energy, Congress remains deadlocked over a critical question: Do we accept the pessimistic notion advanced by this administration and House Democrats that there are no more energy resources to be tapped and that we must simply allocate the energy shortages? Or, as Republicans believe, do we try to solve the energy crisis by turning loose American technological know-how to explore and develop new sources of energy?

The enormous taxes sought by Mr. Carter and the House Democratic leadership will not produce 1 additional gallon of gasoline or heating fuel, and they will fall most heavily on those least able to absorb these new costs. That is one gift I think American families can do without this holiday season.

What the Democrats are doing speaks so loudly it drowns out what they are promising. The public will not be fooled and the 95th Congress will be known for what it is and for how deep it has reached into the pockets of American taxpayers.

The summary of major Republican initiatives in this session follows:

MAJOR REPUBLICAN LEGISLATIVE INITIATIVES: 1ST SESSION, 95TH CONGRESS

ENERGY POLICY

The Republicans unveiled a complete substitute for the Administration's confused National Energy Act. Whereas the Carter Plan assumes that more energy cannot be found, seeks to discourage demand and allocate shortage, the Republican plan would increase domestic production, reduce consumption, and pare down the imports of foreign oil. In offering its proposal, the GOP sought to deal with our energy crunch in a practical way by recognizing that the era of cheap energy is over. Yet, Republicans refuse to agree to the Democrats' "no growth" policy and believe that our national energy policy should foster economic growth and need not end our improving standard of living. The Republican alternative called for increased production of oil and natural gas while remaining committed to cleaning up the environment. The Republican policy broke new legislative ground by proposing that trust funds be set up (to be financed by a tax on crude oil) for: (1) mass transit, (2) development of synthetic fuels, and (3) highway maintenance.

SOCIAL SECURITY FINANCING

The GOP has proposed a 15-point program that places an ailing system on a solid financial basis for the next 75 years while eliminating many of its present inequities. The

highlights of the GOP Program are: (1) decoupling the present system of over-indexing benefits; (2) eliminating the earnings limitation by Social Security recipients, and; (3) requiring no new taxes until at least 1982, and then only a modest 1¼ percent increase over the remainder of the 75 years.

TAX POLICY AND TAXPAYER RELIEF

The Republican minority introduced a sweeping array of tax measures to revitalize the American economy. At the same time, the GOP proposals would ease the burden on the individual taxpayer through: (1) a hefty across-the-board tax cut on all personal income taxes; (2) an end to the double taxation of corporate dividends, and; (3) tax reductions for small businesses.

HOUSE ETHICS REFORM

The Republican Membership demanded full public accountability for many of the more questionable practices of the House. Highlights of the GOP ethics reform proposals include: (1) institution of an auditing authority to guard against abuses; (2) full disclosure of expenditure records by House Members, and; (3) democratizing House procedures via bans on proxy voting, revamped committee jurisdictions, and a restriction on closed rules.

REVISION OF CIVIL RIGHTS LEGISLATION

The GOP addressed the crazy quilt tangle of 47-odd statutes and executive orders with a single comprehensive statute eliminating existing duplication and inconsistencies. Republicans also advocated streamlining the present onerous and complicated reporting requirements.

FOOD STAMP REFORM

During the First Session, the GOP offered comprehensive reforms of the Nation's exorbitant Food Stamp Program. The central elements of the proposal would: (1) provide a greater incentive to purchase a nutritionally adequate diet; (2) enable the government to recover excess benefits disbursed, and; (3) permit the states and localities to establish "work-fare" programs for able-bodied food stamp recipients.

ILLEGAL ALIEN CONTROL

Republicans pushed vigorously for legislation controlling the influx of illegal aliens across our borders. The GOP Program called for: (1) strengthening the border patrol; (2) mandating strict identification procedures for all prospective employees and welfare recipients, and; (3) providing increased penalties for anyone who knowingly hires an illegal alien.

The GOP can look upon its contributions in the 1st Session with a sense of satisfaction at having proposed sound solutions to some of the Nation's most pressing problems.

INDEXING THE INCOME TAX

(Mr. MOORHEAD of Pennsylvania asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MOORHEAD of Pennsylvania. Mr. Speaker, President Carter will shortly propose and Congress will consider the first change in our basic personal income tax structure since the Kennedy-Johnson tax cut enacted in 1964. There have been tax reductions since that time, but they have taken the form of changes in exemptions, credits, and the standard deduction. The tax "brackets," establishing marginal tax rates, have remained unaltered.

If we are now to have this most welcome tax reduction, including a change in the tax brackets, it seems to me that the time has come to make a major philosophical breakthrough and to start to index the personal income tax against inflation. This has major merit on several counts.

First, there is the matter of equity. At present, as we all know, most persons whose wages or other income manage to keep up with inflation still are losers in terms of real disposable income because they move into higher tax brackets. This is perhaps the most insidious of the "thefts" that inflation imposes.

Second, there is the matter of sound macroeconomic policy. Inflation exacerbates the "fiscal drag" that is already inherent in a progressive income tax. Fiscal policy becomes more restrictive whether or not we want it to because the Government's "take" from the economy rises more rapidly than income. Sometimes a restrictive fiscal policy makes sense, essentially when total demand is excessive. But we have learned to our sorrow that the economy can and does have inflation—rising prices—even when demand is far from excessive and unemployment is high. It makes no sense in these conditions to make fiscal policy more restrictive, but an unadjusted tax system does precisely that. Indexation would keep the tax system neutral in this regard, with discretionary changes still available as needed to meet conditions of excess or deficient demand.

Third, there is the matter of the Government's share. One of our deepest philosophical debates is over how large should be the share of Government spending in the total economy. I do not intend to enter that debate today. But what is beyond dispute is that in a period of persistent inflation, given a progressive personal income tax, the Government's share will inexorably rise unless something is done. Once again, indexing will prevent such an unintended and unplanned result. If we decide after full debate to raise the Government's share, it will be with our eyes open.

By way of further information, it is interesting to note that Canada has in place a successful system of indexing the personal income tax to inflation, and it is in no way the cause of the present economic difficulties of that country. As an additional tax reduction just announced by the Finance Minister reveals, indexation does not preclude discretionary changes as needed to meet the requirements of the economy or to reflect a curb on the growth of Government spending.

In Canada indexation is based upon the increase in the consumer price index over a 12-month period and covers what in our terms would be called the personal exemption and the standard deduction and also the tax brackets established in the basic law. It is a thorough indexation so that each taxpayer whose income exactly keeps pace with inflation pays the same portion of that income in Federal personal income tax as before.

I am not convinced that we need indexation as complete as that in Canada. In our system, three variables are involved: The personal exemption—which may be converted into a tax credit in the new tax reduction bill—the standard deduction, and the tax brackets. Preliminary research suggests that, on the basis of present tax law, indexation limited to the exemption and the standard deduction would accomplish most of the task of keeping taxpayers "whole" without changing the tax brackets every year.

Mr. Speaker, I am not introducing legislation at this time to accomplish indexation of the income tax because I am aware that the President's proposals will necessitate a revision of the tax structure, including a possible conversion of the exemption into a flat credit. At the appropriate time, I expect to introduce the necessary legislation, possibly to take effect only after the basic tax reductions to be proposed are fully in effect a year or two in the future. I hope that many of my colleagues will agree with me that the time has come for this fundamental change.

BOY SCOUT TROOP NO. 1283 OF BOWIE, MD.

(Mrs. SPELLMAN asked and was given permission to extend her remarks at this point in the RECORD and to include extraneous matter.)

Mrs. SPELLMAN. Mr. Speaker, the attainment of the rank of Eagle Scout represents years of commitment, tenacity, and an unwavering desire on the part of a young man. A sincere and deep belief in Scouting is the propelling force which motivates and sustains his seeking this highest level of Scouting, and all aspirants deserve our sincerest respect and recognition for striving for those high principles and goals.

The long, and arduous road to the pinnacle is never traveled alone, and certainly that is true in Scouting programs. Parents, teachers, friends, and Scout leaders all impart wisdom, offer encouragement, and extend helping hands. Without such support, the road would be longer and far more difficult to traverse.

For the first time in the history of Scouting in Prince George's County, Md., five Scouts in one troop successfully and concurrently completed the requirements for the Eagle Scout badge. The awards were conferred in Bowie, their home town, during the Court of Honor, sponsored by Boy Scout Troop No. 1283, Crest-hill Baptist Church. I am exceedingly proud of the unique accomplishments of these Scouts and their leaders, and thus, am anxious to have you, my colleagues, share with me in recognizing them.

David Allen, who was born in Cheverly, Maryland, on July 21, 1962, is now a resident of Bowie. He attended Meadowbrook Elementary, serving on the student council before entering Samuel Ogle Junior High. While at Samuel Ogle, David excelled in track, setting two records—one in the mile relay and the other in the 880 yard run. He also pursued an interest in music which he continues this year at Bowie Senior High, where he is a member of the marching band. David played baseball and basketball for the Boys Club, making the all star team in 1974, and last year played on their 140 pounds football

team, being named runner-up for most valuable player. He is an active participant in his church group, and entered senior Scouting by joining the Cresthill Baptist Church Troop No. 1283. David's background, interest and hard work have resulted in his progress up the Scouting ladder to the Eagle rank.

Michael H. Atkinson, a resident of Bowie, Md., was born June 23, 1963, in Boulder, Colo. He first entered Scouting as a third grader at Chapel Forge Elementary School, and joined Troop No. 1283 in 1974, progressing up the ranks to Eagle Scout, and is presently in Leadership Corps. His Eagle project was recognized in a city proclamation personally presented by the mayor of Bowie. He has earned 10 skill awards and 26 merit badges. Mike, a young man of many talents, is an avid sportsman. He has earned the mile swim, completed the Washington-Lee Trail, the Presidential Trail and the Gettysburg Trail, is an outstanding soccer player in the Bowie Soccer Association, and an accomplished rifleman. Mike was selected to attend the Science and Technology Center at Eleanor Roosevelt Senior High School, where he is an honors student. Reaching the rank of Eagle Scout is yet another achievement for this talented young man.

Richard Michael Brandon, Jr., was born in Washington, D.C., on April 27, 1961, and became a resident of Bowie in 1969. At the age of 8, he joined the Cub Scouts, and at 11 became a member of Boy Scout Troop No. 1283, working his way through the ranks to Eagle. Mike is an avid camper and partook in the Canadian Adventure in 1975 and a recent Western Trip. In junior high school, Mike became interested in collecting stamps and coins, and enjoys these hobbies today. He plays clarinet in the Bowie High School Marching Band, and is now in his junior year. He is interested in the sciences, in particular astronomy and electronics, and hopes to make his career in one of these fields. His father, the troop's dynamic leader, has, I know, inspired and encouraged Mike to seek the highest rank of Scouting.

Jonathan C. Burbee was born in Exeter, N.H., on May 8, 1963, and became a resident of Bowie in 1971. He attended Meadowbrook Elementary and is currently a student at Samuel Ogle Junior High School. In 1972, Jon entered Cub Scouts, progressing on to Boy Scout Troop No. 1283 in 1974. He has earned 40 merit badges, completing his requirements for Eagle in July of this year. He is a member of the Order of the Arrow. At Samuel Ogle Junior High, Jon is an honor roll student and a member of the drama club. He is a confirmed member of St. James Episcopal Church and is president of the youth group.

Jon's plans include a college education, with a major in architecture or engineering. To be sure, the honor of reaching the Eagle rank is an outstanding accomplishment for the Scout. In this case, I know the strength of the family and the guidance and love of the parents have provided a strong far-reaching positive influence. Clark and Sally Burbee, and Muffie, too, are just that kind of family, and I salute them for their commitment to community and to their Jon.

Lavid Latzko was born in Mount Holly, N.J., on July 2, 1963, and first came to Maryland when he was 1 month old. He started in Scouting with newly formed Cub Scout Troop No. 1701 of Chapel Forge in 1971, and in 1974 joined Scout Troop No. 1283. His formal education progressed from kindergarten, through Chapel Forge Elementary and Samuel Ogle Junior High School, where he was an honor student. At present, David is in the ninth grade at the Science and Technology Center of Eleanor Roosevelt Senior High School, a superior institution where admission is mostly limited to students passing tough competitive entrance examinations. He is a member of the Diplomacy Club, is active in sports, including baseball, basketball, soccer, and tennis, and is an avid beer can and stamp collector. The discipline which enabled David to become an Eagle Scout will greatly enhance his likelihood of achieving the medical career he has chosen for himself.

Mr. Speaker, these few words inadequately express the months and years of disciplined efforts our five Eagle Scouts expended to reach their goal. They suffered discouragement, but were uplifted by those who cared; they experienced disappointment, but returned to try again. Through reassurances and support, they survived anxiety and distress, and ultimately triumphed because of determination and inner strength. I know my colleagues join me in recognizing these fine examples of American youth and send them our heartiest congratulations for a job exceedingly well done.

ARMISTICE/VETERANS DAY CEREMONY

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, on November 11 each year the town of Surfside, in my congressional district, has a stirring, patriotic ceremony. I know of no municipality or community which more constantly honors our Nation's dead and provides appropriate ceremonies to commemorate our patriotic obligations than the town of Surfside. For many years I have been honored to participate in various patriotic events which this progressive and beautiful municipality has provided. Another stirring occasion at Surfside was November 11 of this year when I again was privileged to participate. The outstanding address made on that occasion was made by the very distinguished and eloquent mayor of Surfside, a very dear friend of mine, the Honorable Sam Brenner. On a similar occasion Mayor Brenner made an eloquent address which I inserted in the CONGRESSIONAL RECORD, because of the breadth and scope, as well as the moving beauty, of what he said. On November 11 of this year, Mayor Brenner made another outstanding address in which he not only calls upon us to honor our heroic dead but he movingly inspires us, as a duty to our honored dead, to do all in our power to establish institutions to keep the peace, which would save the lives of those who would die in war. We need more emphasis upon adequate preparedness and peace-serving institutions in our patriotic addresses. It is with a great deal of pleasure that I ask that Mayor Brenner's outstanding address on November 11 of this year be incorporated following these remarks in the body of the RECORD.

ARMISTICE/VETERANS DAY ADDRESS

We, of this small community of Surfside, Florida, are gathered here before the open sky with our hearts bared to the heavens on this Armistice/Veterans Day to pay tribute to our dead who fought in that First World War, which was the war to end all wars.

How useless does that all seem now! Instead of ending wars, wars have accelerated themselves into greater and more destructive conflicts and they rejuvenate themselves constantly.

Why are we here again? Armistice Day has almost lost its meaning, yet, the dream of Woodrow Wilson keeps coming alive and tries to resurrect itself many times. Remembering that the dream died because there were no teeth in the League of Nations, it is frightening to think that after all these years, there are no teeth in our United Nations either.

Besides remembering our dead we are bothered by the greatest disturbing question since time began. From the chaos of the present how can we create world order which could end all wars and for which all of us so intensely yearn?

Again, I must cry out in pain that we can no longer live in a world where nations are wild beasts roaming the jungles of nationalism. We must clear the jungles and tame the wild beasts. I will shout that out to my dying day or until some form of lasting peace shall inherit the earth. Who dares to say we cannot live side by side with our neighboring nations? And who dares to say we need not bring the spectre of world holocaust before our eyes when it grows more imminent day by day?

As we pay tribute to these men of world war one, and to all veterans, let us also pay tribute to the memory of Woodrow Wilson, their leader, for his was the dream of peace for which these men fought and died. The dream of Woodrow Wilson lies embedded in their bones. Where is that peace for which they fought? Our duty and obligation to that dream began the moment these men died. There must be something more to their dying than just the preservation of old ideas, but also for the building of new ones, and for the dreams men dream. Men do not fight only to preserve the ideas of the past, but to improve the present and to idealize the future. There is always an innate hope in the soldier that something new and better will evolve from his supreme sacrifice. From that, the dream of Woodrow Wilson and the League of Nations was born. Today, if we grow bold with the same courage these men displayed, we could be but a short time away from having the dream come true in its real essence and meaning.

Oddly enough, at this moment in history, I believe Israel finds itself in the position of probably holding the magic key to man's destiny in the successful attainment of a just world order.

The United Nations is making demands upon Israel to desist from establishing new settlements in certain areas and return some territories to the Arabs.

If I were Israel I would use their demands to make some demands of my own.

If I were Israel I would insist upon the implementation of a new blueprint for a just world order which would guarantee security

and protection for all nations before I'd give up an inch of territory.

Would we in America advise our country to give up any land needed for our protection for which American lives were lost or blood was shed? Would we not solidify our gains? Our enemies are thousands of miles away! How can we have the hypocrisy to expect Israel to give back territories which were the bases for attacks against them or not to solidify their gains when Israel's enemies are ringed all about them and only several miles away?

If I were Israel I would ask of the United Nations, "were you the innocent victims who were rounded up and slaughtered like sheep as the Jews were in World War Two? And you ask us not to fortify our gains for our own protection? Why? Will you protect us? What right do you have to tell Israel to let her guard down? Israel was duped and chloroformed before and will not be anesthesized again." How can the world justify the price Israel has had to pay for its existence? Never in the blackest annals of history was there ever a slaughter of such magnitude! And you tell Israel not to fortify its position? Israel has every righteous indignation to spurn your request! Did any of you not protect your gains through the years? What are all of you who sit in the U.N. General Assembly if not the retention and fortification of all your gains throughout the years? What protection will you give Israel? This? This organization where every member nation sits here armed to the teeth like a pack of gangsters and allows itself to be addressed by one who comes before you with a gun in his holster and denies Israel the right to exist! Such a sacrilege you do not even challenge in these sacred halls of alleged peace! How can we rely on you in such a situation?"

If I were Israel I would say, "Yes, we'll give up our gains, we'll desist from fortifying our borders and creating new settlements for that purpose. We'll give it all up if you will give us the assurance that you will protect us as well as protecting all nations by the formation of a heterogeneous peace keeping force, based upon proportionate percentages of your member nations existing fighting forces, sufficiently adequate to keep the peace. And this force must be governed by an impartial world constitution with justice and protection for all nations, regardless of their race, color, creed or form of government. Then there'll be no need for national armaments. That is the only just solution for lasting peace."

"If we see that you can give adequate protection to all nations, then no nation will need to fortify its boundaries. There will be no more boundaries or Maginot Lines as we have known them in the past. Nation's boundaries will come to cease to exist. As should be, they will become invisible lines of demarcation, based upon the cultures and municipalities of what was heretofore nations."

No wind can rustle the leaves as much as mankind's dire need to establish world order can shake the roots of the trees for such a creation.

Oh Israel, insist upon this and as you were led out of bondage, so lead the world out of the recurring scourge of war. And, as is proclaimed in all your parchments, "Hear Oh Israel, the Lord Our God Is One!" So should it also be said, "Hear oh Israel, the world is one!" Then nations will have truly risen to beat their swords into ploughshares. And these men of World War One to whom we pay tribute today can best be remembered and immortalized by this creation of world order, so that they can rest assured that we lifted the torch they passed on to us, that "freedom's light shall never die" and that at long last, these men who march again in our stricken consciences will have won the war to end all wars.

YOUNG MIAMIAN WRITES STIRRING ESSAY ON WHAT IT MEANS TO BE AN AMERICAN

(Mr. PEPPER asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. PEPPER. Mr. Speaker, I am pleased to be able to call to your attention, and that of our distinguished colleagues, a remarkably talented young person of my area, Miss Renee Reinhardt.

Miss Reinhardt is 17 years old and has shown herself to be an involved, active person, who, far beyond the requirements of high school, deeply cares about our Nation and the people in it. Aside from an eventual law course and aspirations to Government service, her interests range broadly into teaching, drama, and psychology. Miss Reinhardt currently works as a valued and capable intern in my district office in Miami, where she was referred by the Dade County leadership program, and where she has proven a real addition to our regular staff who like her well.

In school, as well, Miss Reinhardt is intensely busy, and the fact that she is vice president of two of Miami Coral Park High's scholastic and service organizations, while belonging to seven other clubs, including the National Honor Society, shows how qualified she is. Needless to say, her grades are standing at a perfect 4.0 average, and she has received numerous performance awards, such as Girl's Nation, Girl's State, letters in track and cross country, and placing first in her school in the VFW Voice of Democracy competition.

It was for that last named competition that she wrote the following, excellent essay, which, I think, might speak for all of us, whose forebears came not long ago to this country to fulfill their own special hopes for success and whom we honor with our gratitude and patriotism as fervent as is Miss Reinhardt's love for our country. I think we all might be interested in this thoughtful and mature essay, which I am inserting at this point in the RECORD:

ESSAY BY RENEE REINHARDT

Taking a trip to a bicentennial city proved to be an extremely beneficial experience. Boston over the Fourth of July is beautiful and has an atmosphere of a slow-moving, congenial carnival. Almost the entire purpose of the journey was to learn about America's beginning and find my roots somewhere in my grandparent's adopted country. Perhaps this progressive age of technology is not quite so detrimental. When else could you find an entire village of houses and artifacts from around the country, 200 years old, except now in a place called Sturbridge Village? Yes, this journey to another world caught my fascination and convinced me to begin to learn about my country and its very essence.

When I stand up every school day at 8:15 and pledge my allegiance to that piece of cotton fabric hanging in the corner—something always touches me. It has become a reassurance to me, now that I am old enough to understand and mean what I am saying. It is something solid to hang onto, and I breathe a silent Amen after my classmates and I finish mumbling our recitation.

In order to understand how I feel about America, you must first understand just a few things about myself. I consider myself a simple person, and according to my standards I do not expect much, but this is what I do want. The right to be ME! The choice to love whom I want to love, believe what I want to believe, and be what I want to be—me! America gives me this. I base everything on what I consider to be the most natural gift of all: individualism in life. Fortunately, I have had no personal experience with communism, but from my reading I have found that it curtails individualism. That is enough to influence me strongly against it. From the moves of the communist powers in history, I believe that if it were not for America, Communism and its subsidiaries would be much more widely spread. America is the balance, and the bulwark of peace.

To me as a person and a citizen, this land offers certain rights which appeal to me in their uniqueness and their freeness. Recently, I watched a news report on television, demonstrating how the Senate "morals" Committee does almost nothing, and, according to off the record comments, functions primarily as a Senate country club, with the advocation of our great and obviously human leaders—the Senate. Now perhaps this report is not totally true, perhaps it *is* rumor and hearsay and scandal. But what I truly marvel at is the sincerity with which our first amendment to the Constitution is meant. Freedom of speech is a way of life to the American people, and they do not expect to hear about any reporter's unfortunate and timely fatal accident.

Another remarkable right, at the risk of being repetitious, was clearly demonstrated in this last election. The worth and importance of just one vote along with the "just plain folks running the government" theory was nicely illustrated.

Which brings us right up to the fact that anyone in this country can ring doorbells for a candidate of their choice and I have the right to listen, no matter what they say, I have the right to listen, then shut my door if I want. I do not have to listen to anyone I do not want to, and I am not withheld from hearing anyone. It is something I have been used to, not even noticing, but little things like this are so inherent in America's working structure, without them this country would be lost.

Another point on individualism: It is obvious to anyone researching almost anything that books and articles do not all reach the same conclusion. I can walk into a library and read ten different viewpoints on a single historical event, and then decide for myself. Make a choice and I treasure that. Each and every American is given the right to free thought, creativity, and original ideas. And this is the vortex of forward movement.

Of course, America is not perfect, she has many faults, but I truly believe she is the best yet. Furthermore, rights are only one side of the coin. We have an enormous responsibility to this benefactor of ours, and that is to take advantage of America's invitation to make the most out of yourself you possibly can. To do your personal best, to serve your country in whatever way you are able. I feel deeply indebted and grateful to America for making me what I am. We have some fantastic abilities; the ability to admit mistakes being foremost in my mind. We are strong enough to put a government official in jail, but also strong enough to show them mercy. We have the ability to improve our country, and the courage to do

it. As you can probably tell, America means a great deal to me.

I once read a saying, "Freedom is not the right to do whatever you want to do, it is the right to do as you should do." I guess that, in a nutshell, is what America means to me. But, she is not just a land and a people, she is not only rights and responsibilities, she is not even just a way of life. America is all this, but most of all, she is a dream come true.

NARCOTICS TRAFFICKER NICKY BARNES IS NO LONGER "MR. UNTOUCHABLE"

(Mr. GILMAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GILMAN. Mr. Speaker, on December 2, 1977, Leroy (Nicky) Barnes, known among narcotics traffickers as "Mr. Untouchable" and "Mr. Big" because of his ability for avoiding conviction in previous cases against him and for his skill in eluding detection by law enforcement agencies, was found guilty, along with 10 codefendants, after a trial in the U.S. District Court for the Southern District of New York of conspiring to sell more than 40 pounds of heroin a month at an estimated wholesale monthly value of $1 million. His conviction carries a penalty of up to 15 years in prison and a $25,000 fine. Five "chief lieutenants" in the Barnes organization—Steven Baker, Steven Monsanto, John Hatcher, and Joseph Hayden—along with six lower echelon" members—Leon Johnson, James McCoy, Waymin Hines, Walter Centeno, Leonard Rollock, and Wallace Fisher—were also convicted on this conspiracy charge. Guy Fisher, a "chief lieutenant" for Barnes and Wallace Fisher's brother, and two underlings, Gary Saunders and Wayne Sasso, were freed either because of a jury deadlock or an acquittal.

Barnes, regarded as one of Harlem's top narcotics dealers, was also convicted of masterminding a "continuing criminal enterprise" which carries a penalty ranging from 10 years to life in prison. Some authorities estimate that his adept narcotics operation yielded $200 million of income annually from heroin and cocaine trafficking.

The Barnes trial before Federal Judge Henry J. Werker lasted 2 months and the sequestered jury, whose names and addresses remained anonymous for security reasons even to the attorneys on both sides of the case, deliberated for nearly 3 days over the 10,000 page trial transcript.

Robert B. Fiske, Jr., U.S. attorney for the southern district of New York, assisted by Thomas H. Sear and Robert N. Mazur, brilliantly established the Government's case against Barnes and his coconspirators.

Although no date for sentencing has yet been announced, reports indicate that bail for both Barnes and the convicted codefendants has been revoked and that they have been remanded to U.S. marshals.

Mr. Speaker, although there have been some interagency rivalries among Federal, State and local law enforcement agencies, the Nicky Barnes case represents, a concerted effort by these authorities to cooperate and coordinate their activities to bring to trial a major narcotics underworld figure. Our Nation owes these dedicated men and women its heartfelt thanks for a job well done. Without the cooperation and coordination by the Federal Drug Enforcement Administration, headed by its competent Director, Peter Bensinger, the New York City Police Department under the leadership of Commissioner Micheal Codd and his special investigations unit, the Federal task force, headed by DEA's effective Regional Director John Fallon, the New York City prosecutor's office led by Sterling Johnson, a dedicated fighter against Narcotic trafficking and the U.S. attorney's office for the southern district of New York, together with the untold numbers of dedicated law enforcement men and women, Nicky Barnes and his gang would still remain at large and continue to be folk heros among certain segments of the New York City community. Through their diligent efforts, Nicky Barnes is no longer "Mr. Untouchable."

However, our Nation must not be lulled into any sense of complacency and must not permit euphoria to set in. It is obvious that much work remains to be done in busting other narcotics trafficking operations both here and abroad, and there are many other nefarious individuals who are willing and able to replace Barnes once he is incarcerated. But there is no doubt that some progress is being made, Mr. Speaker, and hopefully the narcotics peddlers will come to realize that no one is above the law, that no criminal is "untouchable."

Mr. Speaker, in order to bring the magnitude of Nicky Barnes' organization to the attention of my colleagues and in order to bring some of the problems faced by this Nation's law enforcement agencies into perspective with regard to establishing a case against him, I am inserting at this point in the RECORD an article entitled "Mr. Untouchable" appearing in the New York Times Magazine of June 7, 1977, by Fred Ferretti. Mr. Ferretti discusses the events that led up to Barnes' indictment in March of this year.

The article follows:

"MISTER UNTOUCHABLE"

(By Fred Ferretti)

(The police say that Nicky Barnes may be Harlem's biggest drug dealer. Now, the Government will try to prove it.)

The apartment might be in Elmhurst or Flatbush, in Riverdale or South Jamaica, in Mount Vernon or Sugar Hill. It really doesn't matter where it is, for as many as 20 or 30 flats are kept permanently rented, locked securely, empty, awaiting the time when one of them becomes a one-night processing mill.

Two men, lieutenants they are called, sit in the apartment watching the women work. There are 15 women, between the ages of 16 and 30, and they are lined up along the sides of a huge sheet of plate glass that, propped up on pieces of furniture, has become a table. The women are naked, to insure that they will not be tempted to conceal any of the powder they are working over. The lieutenants, trusted, dressed, do not even look at the women. Their eyes, like the eyes of the women, are on the small pyramids of white powder heaped on the plate glass.

The women have surgical masks over their noses and mouths so they won't inhale the powder. They make equally sized mounds of the powders in front of them, powders of quinine, lactose, dextrose, a milk sugar called bonita, and almost-pure white heroin. By the ounce they mix heroin with four parts—often five parts—of dilutant, using tiny aluminum measuring spoons. They mix it thoroughly, weigh out 55 grains at a time, then spoon it carefully into glassine envelopes. Each of these envelopes will sell on the street for $70.

It is an all-night task, considering that 10 kilos of heroin are diluted in one evening. Once the cutting is done, "salesmen" or "jobbers," who have been waiting by prearrangement, are telephoned. They arrive at the apartment in gypsy cabs, and they are carrying shopping bags. There is money in the bags, lots of money. They trade the money for the glassine envelopes of cut heroin, called "scrambled eggs." They go back to their waiting cabs and deliver the heroin to a local outlet: a candy store, a bar, a luncheonette, perhaps on Avenue C, or Delancey Street, or somewhere in the Village. There, it is dispensed by street people to addicts, often after the heroin has been cut once again with milk sugar.

In the apartment, the women dress, receive anywhere from $500 to $1,000 apiece for their 16 hours of work and go to their homes, or to their straight jobs.

In those 16 hours, 10 kilos of pure heroin, usually bought from a wholesaler by a trusted representative of one of New York City's major drug dealers for $150,000 ($15,000 a kilo), has become worth about $630,000. For the dealer, the night's expenses have run about $170,000, including the cash fees to the women and their apartment guardians. Thus the dealer has cleared about $460,000 in profits—all in cash—in an operation that he financed, sanctioned and arranged, but in which he had no physical part.

There are very few drug dealers in the city, or in the country for that matter, who can operate at a level involving that much cash. Leroy (Nicky) Barnes, 44, is one such dealer, according to the New York City Police Department's intelligence apparatus, its Special Investigations Unit, the Federal Drug Enforcement Administration and the Unified Intelligence Division, which is a sort of Federal-local crime clearinghouse in Manhattan, staffed with ex-Federal and local police officers.

Barnes is, police say, one of the biggest heroin dealers in the country. In his home base, Harlem, the center of the New York City drug traffic, he is regarded as perhaps the biggest. But he is more than that. To the police, to the drug community and to an extent in the uptown drug-related subculture, Nicky Barnes is a current legend. His appearances, either on the streets or at the stops he makes on his rounds, attract attention; his name alone inspires awe because of a spit-in-your-eye, flamboyant life style that is perceived by the street people as Barnes's way of thumbing his nose at officialdom.

Furthermore, he has not been convicted of any of the charges law-enforcement authorities have brought against him since 1973. Juries have acquitted him. Court cases, often poorly researched or prosecuted too soon because of the publicity attached to the arrest, have often been thrown out on appeal. Evidence thought to be airtight has been disallowed because of poor police procedure. This is not uncommon in narcotics cases or with figures dubbed "major violators" by narcotics

detectives. Often the anxiety to arrest and jail an alleged major dealer causes prosecutors to rush to court with cases that lack proper development. Disgruntled law-enforcement authorities feel this combination of haste, of too much awareness of public pressure, and of prosecutors' desire to make names for themselves by jailing someone possessing underworld glamour, has contributed to the failure to put Nicky Barnes in jail. Barnes's lawyer, on the other hand, maintains that Barnes is, unjustly, a target of police and prosecutors "out to make a score."

Whatever the reasons, the failure to make an arrest stick has earned Barnes the street name "Mr. Untouchable." He is not a retiring man. Of medium height, he projects a presence larger than his size. He is muscular and recently shaved the beard he sported for years. He prefers luxurious motor cars and elaborate custom clothing. To the street people, he is a presence. To the police, this symbolic quality is as significant as the crimes they allege he has committed.

To them he embodies the new trend in drug trafficking, in which blacks and Hispanics, the new ethnic successors in organized crime, have taken over from their predecessors, the Italian street gangsters. Nicky Barnes is also important to the Federal Government, which is trying to put him in jail, something the city police have been unable to do recently. On March 16, Barnes and 17 others, including five men closely associated with him, were indicted by the Federal Government for alleged participation in a vast heroin-selling conspiracy. Five days later, President Carter took note of the arrests in a letter to Peter Bensinger, administrator of drug enforcement in the Department of Justice.

"I congratulate you on the culmination of the Drug Enforcement Administration's New York investigation, which resulted in Wednesday's important arrests," the President wrote. Then, after noting that those arrested would be tried and either found guilty or innocent, he wrote that he wanted to thank all of law enforcement for its "tireless, often dangerous hours spent in their efforts to end heroin trafficking here and abroad."

It was the first time that an American President had taken note of Nicky Barnes.

He has a record of 13 arrests dating back to 1950, when he was 18. For more than 10 years, the police have labeled him a "major narcotics violator." They have investigated him and bugged the telephones of his several apartments. He has been put under continual surveillance—at one point, 24 hours a day for eight consecutive months. He has been arrested for narcotics violations, for bribery of a police officer and for murder. His current Federal indictment charges him with conspiracy to violate the narcotics laws and with being the leader of a "criminal enterprise" of more than five people who constituted a drug-selling operation.

He may have the most voluminous file in the records cabinets of the Police Department's Intelligence Section, a file filled with allegations, suppositions, the results of countless surveillances, with confidential reports from street informants, with rumor. At one time his file went by the name of "Operation Slick." The Unified Intelligence Division file is equally stocked, only this agency puts out what it calls "blue books" of crime. Barnes is listed in its "Black Major Violators" book. But he is also to be found in the file labeled "Italian Major Violators"—this in recognition, perhaps, of Barnes' reported ties to Italian sources of narcotics, and to his alleged fondness for patterning himself after what possibly is his conception of the way organized crime, Italian-style, works.

Thus, the files report not only an acquaintance with the late mobster Joey Gallo, who Barnes is said to have met during a 1965 stay in Greenhaven Prison, but a tenuous connection with Carmine Galante, the man police have been publicizing as one of the new leaders of Italian organized crime. They allege that Barnes conducts his business after consultation with some sort of "Council of 12" that he formed in Harlem. The council, the police say, is a group of black drug dealers who meet sporadically to set up distribution territories.

These intelligence sources suggest that Nicky Barnes might have met in Greenwich Village with Joanne Chesimard, a key figure in the Black Liberation Army, and that Patty Hearst, when she was a fugitive, might have met him as well. They suggest that he is somewhat of an organizational genius. The police say that because he has put so many administrative layers between himself and the actual drugs, he has created practically an arrest-proof narcotics operation; even if one of his processing mills is successfully raided, it can't be traced back to him and can't put a crimp in his operations. The intelligence says that Barnes has enormous quantities of uncut heroin stashed at various locations in the New York City area (he was picked up once, police reported with $500,000 worth of drugs in his car).

The files also note the fate of one Reggie Isaacs, a man they identified as a Barnes lieutenant. Isaacs liked to play golf. The police believe he held out on Barnes. He was found dead four years ago, with three bullets in him, on the 18th hole of the Mosholu Golf Course in the Bronx. The police believe Barnes, whom they refer to as "Nick," was implicated in the slaying, but they have never been able to prove it—just as they have been unable to prove Barne's complicity in the slaying of another former intimate, Stanley Morgan, who was shot eight times almost next door to a police station. Morgan, it is said, held out on part of a narcotics cache.

The police say Barnes has, at the very least, one Mercedes-Benz, perhaps more, and a Citroen Maserati, and is surrounded by gaggles of Thunderbirds, Lincoln Continentals and Cadillacs. At various times he has had, they report, apartments in upper Manhattan, Riverdale, Hackensack and across the Hudson in the forest of high rises in Fort Lee.

Ironically, these police intelligence operatives, who keep on watching Nicky Barnes but haven't caught Nicky Barnes, betray a certain grudging admiration for Barnes's life style, a style which is, consistently, wickedly flamboyant, and often humorous. They are professionals admiring a professional, without condoning what they believe him to be. This, for example, is Nick Barnes:

It is just before last Christmas on 126th Street and St. Nicholas Avenue, and Barnes, in what the police say is one of his 300 new suits, wearing one of his 100 pairs of shoes, one of his 50 leather coats, one of his 25 hats—all color-coordinated—is handing out turkeys to the needy with a panache that would do credit to a turn-of-the-century Tammany Hall alderman.

And this is Nicky Barnes:

He is on trial last year for possession of hashish, a sawed-off shotgun, a .25-caliber automatic, a .32-caliber Smith & Wesson revolver, a .32-caliber Clerke revolver and a .38-caliber handgun, a collection police said they found in his upper Manhattan apartment in August, 1973, along with $43,934 in small bills. During an adjournment he goes into a washroom in Criminal Court and sees two narcotics detectives he knows.

He dips his hands under the tap, lifts them up and says to the mirror, "I need a handkerchief. Let's see, is this a handkerchief?" He reaches into a side pocket and pulls out a cylindrical roll of bills. "Oh," he says, "That's not a handkerchief, is it?" and he grins at the two narcs reflected in the mirror.

The wad goes back in his pocket. He reaches into the other side pocket. "Is this a handkerchief here?" and pulls out a duplicate roll. "Now, that isn't a handkerchief either, is it?" he says, and grins again at the two detectives. He shakes his hands dry and walks out of the washroom.

And this is Nicky Barnes:

He'll show the flag evenings in Harlem, checking in at the Shalimar, the Gold Lounge, or Small's and he will be bowed to, nodded to, but not touched. "It's like the Godfather movie," says one detective, "Baaad, Baaad Leroy Brown. . . ."—the song that his fans believe was written for him—will get a steady play on the juke, and Nicky Barnes will wade through his admirers, "being treated like the ——— Pope," a detective says.

And this is Nicky Barnes:

A few months ago, a school for court stenographers advertised in The Law Journal that it was staging a mock trial during which testimony would be taken so that its students could be tested. Nicky Barnes answered the ad, suggesting that he play the part of the "bad guy" on trial. The school did not accept his offer, which is a bit surprising: It would appear that Barnes has almost singlehandedly seen to it that unemployment among court stenographers is kept to an absolute minimum, because of his insistence on having copies of every page of testimony—at $4.50 a page—taken at his many trials.

Which is not all he does. He has all of the testimony and evidence in his trials bound into volumes that he keeps in his apartment. Those portions of the trial record that deal with instances of police surveillance are reproduced and distributed, police say, to his lieutenants as primers on basic security. His lawyer, David Breitbart, calls Barnes a "voracious reader, particularly of the law." Mr. Breitbart said that when Barnes was in Greenhaven Prison he subscribed to 37 different law journals, and "when he sits next to me in court, each issue, each constitutional question, whether it be search or seizure, the admissibility of evidence, is discussed by him with knowledge and thoroughness. I consider him a learned client."

Mr. Breitbart, while refusing comment on Barnes's current indictment, dismissed as ridiculous virtually all of the police intelligence information. The accounts of his client's wardrobe are "pure bull," he says. "My God, the guy's got holes in his shoes." As for his fleet of cars, Mr. Breitbart claims that Barnes "only rents them."

He says that Barnes has repeatedy been "framed" by the police, "ever since he was nominated by the Intelligence Section as a major violator."

Why the frame?

"Budget items," said Mr. Breitbart. "The police have to justify their budgets. The Drug Enforcement Administration has to justify itself to the General Accounting Office. And these are the prosecutors. Each individual prosecutor has a shot at the crown. He's the biggest, they say. So they want their shot. You know, I love the system. It works if it's followed. The trouble is they don't follow the rules."

Mr. Breitbart, who was once a prosecutor in the Bronx District Attorney's office, quit, he said, "so I could earn a living." His firm, Goldberger, Feldman and Breitbart, is a criminal law office made up of former prosecutors. He makes a nice living now, he says, and when he is asked how Nicky Barnes—who Mr. Breitbart says is in the real-estate business—can afford an attorney "who wears a gold watch and a lizard belt, I say I'm a humanitarian. I like causes, I like this cause."

Early in 1973, Nicky Barnes again became a hot item for the police, and a joint investi-

gation by the Police Department's Intelligence Section, the Special Investments Unit—with input from the Manhattan District Attorney's office's Special Narcotics Unit—was aimed at him. From January until August of that year the police were with Nicky Barnes 24 hours a day.

And Barnes knew it.

One of Barnes's cars would pull out of the garage of his building, the police said, and Barnes's wife, Thelma, would be driving while Barnes lay flat on the back seat. The car would speed to the West Side Highway and then careen along at 100 miles an hour. Then it would simply return to the garage, and Barnes and his wife would go back to their apartment. No ticket was ever issued. In any other circumstances, a speeder would be arrested. Police feel that Barnes knew they were more interested in tailing him than in arresting him, and so he played with them.

At other times, the car would be driven to Brooklyn. Barnes would get out, get into a building, come out, walk around the car and casually look at the tail, then he'd get back in his car and it would make a bewildering series of U-turns before returning to his apartment, completing the wild goose chase he had just led.

The car would be driven to Harlem, and Barnes would make a point of stopping in at literally 100 different locations simply to annoy his trailers.

The car would be driven to Riverdale, and Barnes would, as he did once, quickly turn into a clump of high weeds at roadside. Then, as the police trailing car passed, he would switch on his lights and move in back of the policemen and blow his horn.

On Aug. 30, 1973, policemen with a warrant arrested Barnes in the basement of the Haven Avenue apartment. When they went up to what they claimed was his apartment, they found a flat whose walls were covered with mirrors, whose floors were covered with gray shag. There was a $4,000 white leather sofa and furnishings of glass, chrome and marble. There was a king-sized bed in the Mediterranean-style bedroom, a shotgun loaded with 10 shells next to it, and the collection of handguns mentioned earlier. Said one detective, "Where Nicky is, is guns."

Barnes, by all accounts, wasn't bothered a bit by his arrest and, as it eventually turned out, he was right in not being concerned. The case dragged on through hearings on the admissibility of evidence and on the validity of the warrant served. It was not until January of this year that the charges were dismissed, because it was ruled that, though the police arrested Barnes in the basement of that house, there was no evidence that could be admitted that connected him with the apartment.

At one point in the many court arguments, the prosecutor was addressing the court and mentioned that $50,000 in cash had been found in the apartment. This figure was excessive: Actually, $43,934 had been found. Mr. Breitbart rose from his seat and suggested to the court that what the prosecutor was saving meant that perhaps the arresting police had pocketed about $6,000. At that point Nicky Barnes jumped up and told the judge that that wasn't the case at all—because "these cops are honest, they don't steal." Then he sat down, grinning.

Between then and now Barnes beat a few other charges as well. On May 11, 1974, he was arrested and charged with stabbing a Bronx man to death with a penknife. That court proceeding was marked by a series of legal arguments over the posting of Barnes's bail. A sum of $100,000 in checks from a Harlem church was rejected by a judge who suggested that the source of the money was questionable. Subsequently, bail was posted by Barnes, who said he put up his equity in a $4.6-million Detroit housing project—a Federally backed enterprise—as collateral.

While he was out on bail, while arguments were still going on about the 1973 arrest, he was arrested yet again on Dec. 17, 1974, charged with offering a bribe to a policeman—who had stopped his Mercedes in the Bronx after a series of suspicious driving maneuvers—with $130,000 in cash that was in the trunk of the car. Bail on this charge, initially set at $2.6 million, was reduced first to $500,000 then to $100,000 on Mr. Breitbart's application. He pointed out that Barnes had never failed to appear for a court appearance.

Then things began to go Nicky Barnes's way. On May 8, 1975, he was acquitted of the bribery charge, although his $130,000 wasn't returned because Internal Revenue had put a lien on it as partial payment of the $325,000 it says Barnes owes in back taxes.

In March of 1976 he was acquitted of the murder charge by a Bronx jury.

Last October 26, he was again arrested in the Bronx for possession of a gun, but the charge was dismissed by the Bronx grand jury. Mr. Breitbart contended that the gun, allegedly found in Barnes's car, had been planted there by police.

Then, this January, the 1973 charges of drug and gun possession were finally thrown out by a Bronx court, and Barnes found himself completely free of any criminal charges, though police were still referring to him as one of the most powerful, perhaps the most powerful, of the "major violators" in the city.

During that four-year period, from 1973 until March of this year, when Nicky Barnes had been charged with homicide, bribery, drug dealing and possesion of dangerous weapons, the only time he had spent in jail was 150 days on various charges while bail was being secured.

Then, on March 16, he was arrested again. He was one of 18 people indicted by a Federal grand jury for a heroin selling and distributing conspiracy. The indictment charged that Barnes, who it called the chief of the operation, and five of his "lieutenants," had conspired to sell 44 pounds of heroin, at a wholesale price of $1 million, from a Harlem garage each month since November of 1976. It called Barnes "the head of a loose-knit narcotics organization which distributed bulk quantities of heroin and cocaine," an organization through which "a chain of distribution was established, and the narcotics flowed through several levels of the conspiracy, and ultimately to narcotics on the streets of New York City." Nicky Barnes spent another 44 days in jail after this arrest. Then, on April 29, he was released in $300,000 bail put up by a bondsman after Barnes pledged his $1.25 million interest in that Detroit housing project.

These days he spends his time at Mr. Breitbart's office preparing his defense. Meanwhile, in recent weeks another fellow—who dresses all in white and sports a white cape with a scarlet lining—has been driving his white Cadillac into the 116th Street and Eighth Avenue scene and calling himself "The Godfather." The street word is that this new man on the scene will be someone to reckon with, if the Federal Government succeeds in putting Nicky Barnes in jail. But the street people in Harlem remember each of those times when it looked as if the police were about to get Barnes behind bars, and they are skeptical about the Federal effort: To them, Nicky Barnes remains "Mr. Untouchable."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows for:

Mr. WALKER (at the request of Mr. RHODES), for the remainder of this week, on account of a death in his family.

Mr. MARRIOTT (at the request of Mr. RHODES), for today, on account of official business.

Mr. RAILSBACK (at the request of Mr. RHODES), for the week of December 5, on account of official business.

Mr. COTTER (at the request of Mr. WRIGHT), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. KINDNESS) to revise and extend their remarks and include extraneous material:)

Mr. STEERS, for 5 minutes, today.
Mr. MCDADE, for 5 minutes, today.
Mr. PURSELL, for 5 minutes, today.
Mr. DUNCAN, for 5 minutes, today.
Mr. MARTIN, for 5 minutes, today.

(The following Members (at the request of Mr. FLIPPO) and to revise and extend their remarks and include extraneous matter:)

Mr. MATTOX, for 5 minutes, today.
Mr. ICHORD, for 10 minutes, today.
Mr. FRASER, for 10 minutes, today.
Mr. ANNUNZIO, for 5 minutes, today.
Mr. GONZALEZ, for 5 minutes, today.
Mr. LAFALCE, for 5 minutes, today.
Mr. LEVITAS, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. GILMAN, and to include extraneous matter, notwithstanding the fact that it exceeds two pages of the RECORD and is estimated by the Public Printer to cost $885.50.

(The following Members (at the request of Mr. KINDNESS) and to include extraneous material:)

Mr. ASHBROOK in three instances.
Mr. ANDERSON of Illinois.
Mr. WHALEN.
Mr. DERWINSKI in two instances.
Mr. ROUSSELOT in two instances.
Mr. GILMAN.
Mr. GOLDWATER.
Mr. REGULA.
Mr. FRENZEL in three instances.
Mr. LAGOMARSINO.
Mr. FORSYTHE.
Mr. STOCKMAN.
Mr. KASTEN.
Mr. CRANE.
Mr. YOUNG of Florida in two instances.

(The following Members (at the request of Mr. FLIPPO) and to include extraneous matter:)

Mr. MONTGOMERY in two instances.
Mr. ANDERSON of California in three instances.
Mr. GONZALEZ.
Mr. ADDABBO.
Mr. MITCHELL of Maryland.
Mr. MOTTL.
Mr. MURPHY of Illinois.
Mrs. BURKE of California in two instances.
Mr. BONKER in two instances.
Mr. LEGGETT.
Mr. MCDONALD.

Mr. LEVITAS in three instances.
Mr. OBERSTAR.
Mrs. COLLINS of Illinois in two instances.
Mr. BEVILL.
Mr. BAUCUS in two instances.
Mr. FOLEY.
Mr. EDWARDS of California in two instances.
Mr. ULLMAN.
Mr. UDALL.
Mr. STARK.
Mr. HARKIN.
Mr. LEDERER.
Mr. FASCELL.
Mr. GORE.
Mr. CONYERS.

ADJOURNMENT

Mr. FLIPPO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 40 minutes p.m.), the House adjourned until tomorrow, Thursday, December 8, 1977, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

2801. A letter from the Acting Director, Office of Management and Budget, Executive Office of the President, transmitting a report that the appropriation for Salaries and Expenses, Agricultural Stabilization and Conservation Service has been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to section 3679(e)(2) of the Revised Statutes, as amended; to the Committee on Appropriations.

2802. A letter from the Secretary of Transportation, transmitting a report on the Department's disposal of foreign excess property during fiscal year 1977, pursuant to section 404(d) of the Federal Property and Administrative Services Act of 1949; to the Committee on Government Operations.

2803. A letter from the Chief, Forest Service, U.S. Department of Agriculture, transmitting the classification, development plan, and boundaries for the Flathead Wild and Scenic River, Mont., pursuant to section 3(b) of the Wild and Scenic Rivers Act (82 Stat. 908); to the Committee on Interior and Insular Affairs.

2804. A letter from the Comptroller General of the United States, transmitting the initial report of the Professional Audit Review Team on the activities of the Office of Energy Information and Analysis, pursuant to section 55(a) of the Federal Energy Administration Act, as amended (90 Stat. 1137); jointly, to the Committees on Government Operations, Interstate and Foreign Commerce, and Interior and Insular Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DODD: Committee on Rules. House Resolution 928. Resolution providing for the consideration of Senate amendments to the joint resolution (H.J. Res. 662) making further continuing appropriations for the fiscal year 1978, and for other purposes (Rept. No. 95-833). Referred to the House Calendar.

Mr. DODD: Committee on Rules. House Resolution 929. Resolution providing for considering the Senate amendments to the joint resolution (H.J. Res. 662) making further continuing appropriations for the fiscal year 1978, and for other purposes (Rept. No. 95-834). Referred to the House Calendar.

Mr. LONG of Louisiana: Committee on Rules. House Resolution 930. Resolution providing for the agreeing to the Senate amendments to the bill (H.R. 9378) to amend title IV of the Employee Retirement Income Security Act of 1974 to postpone, for 2 years, the date on which the corporation first begins paying benefits under terminated multiemployer plans (Rept. No. 95-835). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of California (for himself and Mr. SNYDER):

H.R. 10249. A bill to amend the Federal Aviation Act of 1958, relating to aircraft piracy, to provide a method for combating terrorism, and related purposes; jointly, to the Committees on International Relations, the Judiciary, and Public Works and Transportation.

By Mr. BAUCUS:

H.R. 10250. A bill to amend medicare and medicaid provisions as they relate to rural health care facilities; jointly, to the Committees on Ways and Means, and Interstate and Foreign Commerce.

H.R. 10251. A bill to amend the Public Health Service Act to permit disapproval by Congress of national guidelines for health planning issued by the Secretary of Health, Education, and Welfare; jointly, to the Committees on Interstate and Foreign Commerce, and Rules.

By Mr. BEDELL (for himself and Mr. STEIGER):

H.R. 10252. A bill to amend title 38, United States Code, to provide that agricultural employment required for eligibility for educational assistance under the GI bill for a person enrolled in a farm cooperative program need not be full-time employment or the principal expected source of income of such person and may include employment in establishments engaged in the processing, distribution, or sale of agricultural products; to the Committee on Veterans' Affairs.

By Mr. CARNEY:

H.R. 10253. A bill to amend title 38 of the United States Code in order to revise the provisions therein relating to the construction, alteration, and acquisition of land for cemeteries; to the Committee on Veterans' Affairs.

By Mrs. FENWICK:

H.R. 10254. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide benefits to survivors of certain medical and rescue personnel who die in the performance of duty; to the Committee on the Judiciary.

By Mr. FORSYTHE (for himself, Mr. LEGGETT, Mr. MURPHY of New York, Mr. DINGELL, Mr. BOWEN, Mr. YOUNG of Alaska, Mr. OBERSTAR, Mr. ANDERSON of California, Mr. BAUMAN, Mr. DE LA GARZA, Mr. BREAUX, Mr. EMERY, Mr. STUDDS, Mr. BONKER, Mr. DORNAN, Mr. AUCOIN, Mr. TRIBLE, Mr. HUGHES, and Mr. AKAKA):

H.R. 10255. A bill to assist the States in developing comprehensive fish and wildlife resource management plans and in implementing such plans with respect to nongame fish and wildlife; to the Committee on Merchant Marine and Fisheries.

By Mr. KEMP (for himself, Mr. BUTLER, Mrs. HECKLER, and Mr. YOUNG of Florida):

H.R. 10256. A bill to provide for permanent tax rate reductions for individuals and businesses; to the Committee on Ways and Means.

By Mr. LEVITAS:

H.R. 10257. A bill to amend the Administrative Procedure Act to require the performance and publication of economic impact analyses in the Federal Register for all proposed and final rules which are subject to the provisions of that act; to the Committee on the Judiciary.

By Mr. LLOYD of California (for himself, Mr. BAUCUS, Mr. BEVILL, Mr. BURKE of Florida, Mr. D'AMOURS, Mr. DUNCAN of Tennessee, Mr. FLOOD, Mr. FUQUA, Mr. GUYER, Mr. HUGHES, Mr. HYDE, Mr. LEHMAN, Mr. LENT, Mr. MCCORMACK, Mr. OTTINGER, Mr. PRICE, Mr. ROE, Mr. SCHEUER, Mr. SIMON, Mr. VENTO, Mr. WEISS, and Mr. WHITEHURST):

H.R. 10258. A bill to strengthen Federal programs and policies for combating international and domestic terrorism; jointly, to the Committees on International Relations, the Judiciary, and Public Works and Transportation.

By Mrs. LLOYD of Tennessee:

H.R. 10259. A bill to establish a Department of Education and for other purposes; to the Committee on Government Operations.

H.R. 10260. A bill to amend title 39, United States Code, to require that the notice included in a mailed solicitation stating that such solicitation is not a bill or an account due shall be displayed at or near the beginning of such solicitation; to the Committee on Post Office and Civil Service.

By Mr. MILLER of California (for himself, Mr. EDGAR, Mr. MOSS, Mr. RICHMOND, Mr. RYAN, Mr. STARK, and Mr. VENTO):

H.R. 10261. A bill to establish a loan program to provide financial assistance to drought-impacted water districts, to provide Federal assistance to water districts for acquisition and installation of residential and agricultural water conservation devices and equipment, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. OBERSTAR (for himself, Mr. QUIE, Mr. HAGEDORN, Mr. FRENZEL, Mr. VENTO, Mr. FRASER, Mr. NOLAN, and Mr. STANGELAND):

H.R. 10262. A bill to authorize access spurs for the Great River Road; to the Committee on Public Works and Transportation.

By Mr. RISENHOOVER:

H.R. 10263. A bill to amend the Federal Property and Administrative Services Act of 1949, as amended, to provide for the disposal of surplus real property to States and their political subdivisions for economic development, and for other purposes; to the Committee on Government Operations.

H.R. 10264. A bill to amend the Internal Revenue Code of 1954 to increase from $1 million to $20 million the exemption from industrial development bond treatment for certain small issues; to the Committee on Ways and Means.

By Mrs. SPELLMAN (for herself and Mr. VENTO):

H.R. 10265. A bill to amend title VIII of the act commonly called the Civil Rights Act of 1968 with respect to the awarding of attorney's fees and the authority of the Department of Housing and Urban Development to initiate a civil action to enforce the provisions of such title; to the Committee on the Judiciary.

By Mr. VENTO:

H.R. 10266. A bill to amend title II of the Social Security Act and chapter 21 of the Internal Revenue Code of 1954 to provide man-

datory coverage under the old-age, survivors, and disability insurance program for Members of Congress; to the Committee on Ways and Means.

By Mr. BAUCUS:

H.R. 10267. A bill to amend the Small Business Act to declare a national small business economic policy, to provide for an ongoing program of advocacy and economic research and analysis for small business, and to increase the exchange of pertinent information and the level of cooperation between the Small Business Administration and other departments, agencies, and instrumentalities of the Federal Government; to the Committee on Small Business.

By Mr. BRINKLEY (for himself and Mr. ABDNOR):

H.R. 10268. A bill to amend title 38, United States Code, to increase the amount of a home loan which may be guaranteed by the Veterans' Administration from $17,500, to $25,000; to the Committee on Veterans' Affairs.

By Mr. BRINKLEY:

H.R. 10269. A bill to amend title 38, United States Code, to increase the specially adapted housing assistance grant for certain disabled veterans from $25,000 to $30,000; to the Committee on Veterans' Affairs.

By Mrs. BURKE of California (for herself and Mr. HAWKINS):

H.R. 10270. A bill to amend the Comprehensive Employment and Training Act of 1973 to establish a program of assistance to multipurpose service centers for displaced homemakers, and for other purposes; to the Committee on Education and Labor.

By Mr. HARRINGTON (for himself, Mr. AKAKA, Mr. ANDERSON of Illinois, Mr. BEDELL, Mr. BENJAMIN, Mr. BONKER, Mr. BRECKINRIDGE, Mr. CEDERBERG, Mr. EDGAR, Mr. FASCELL, Mr. FRASER, Mr. HARRIS, Mr. HEFTEL, Mr. KREBS, Mr. MAZZOLI, Mr. MCHUGH, Mr. MIKVA, Mr. MOAKLEY, Mr. OTTINGER, Mr. PATTERSON of California, Mr. PEASE, Mrs. SPELLMAN, Mr. VENTO, and Mr. WIRTH):

H.R. 10271. A bill to amend the Federal Election Campaign Act of 1971 to permit expenditures by certain political committees with respect to Presidential candidates, to provide that payments made by candidates for certain political campaign advertisements shall not be considered to be contributions to other candidates, and for other purposes; to the Committee on House Administration.

By Mr. LAFALCE:

H.R. 10272. A bill to amend the Internal Revenue Code of 1954 to provide that trusts established for the payment of product liability claims and related expenses shall be exempt from income tax, that a deduction shall be allowed for contributions to such trusts, and for other purposes; to the Committee on Ways and Means.

By Mr. LEDERER:

H.R. 10273. A bill to amend title XX of the Social Security Act to provide that a family's net income (as determined for Federal income tax purposes), rather than its gross income, shall be used in determining the eligibility of its members for services with respect to which Federal payments may be made thereunder; to the Committee on Ways and Means.

By Mr. LEVITAS:

H.R. 10274. A bill to prevent Federal enforcement of racial quotas; jointly, to the Committees on Education and Labor, and the Judiciary.

By Mr. MARTIN:

H.R. 10275. A bill to amend the Internal Revenue Code of 1954 to provide a refundable income tax credit for medical expenses, and for other purposes; to the Committee on Ways and Means.

By Mr. MURPHY of New York (by request):

H.R. 10276. A bill to amend the Shipping Act, 1916, to provide for the licensing, bonding, and regulating of nonvessel operating common carriers in the foreign and domestic offshore commerce of the United States, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. POAGE:

H.R. 10277. A bill to amend the Flood Control Act of 1946 to provide that the conservation storage capacity provided by the Belton Reservoir in Texas shall be available for purposes other than irrigation; to the Committee on Public Works and Transportation.

By Mr. PURSELL:

H.R. 10278. A bill to condition the approval of Federal highway aid projects in a State on the establishment by that State of a system of identification and penalties for use in reserving parking spaces for motor vehicles used by handicapped individuals; to the Committee on Public Works and Transportation.

By Mr. REGULA (for himself, Mr. ASHBROOK, Mr. ASHLEY, Mr. APPLEGATE, Mr. BROWN of Ohio, Mr. CARNEY, Mr. DEVINE, Mr. GRADISON, Mr. GUYER, Mr. HARSHA, Mr. KINDNESS, Mr. LATTA, Mr. LUKEN, Mr. MILLER of Ohio, Mr. MOTTL, Ms. OAKAR, Mr. PEASE, Mr. STANTON, Mr. STOKES, Mr. VANIK, Mr. WHALEN, and Mr. WYLIE):

H.J. Res. 672. Joint resolution to retain the name of Mount McKinley; to the Committee on Interior and Insular Affairs.

By Mr. THONE:

H. Con. Res. 439. Concurrent resolution to declare the sense of Congress that full parity remains the goal of American agriculture; to the Committee on Agriculture.

By Mrs. COLLINS of Illinois:

H. Res. 931. Resolution urging the President not to recognize the Bophuthatswana territory in South Africa; to the Committee on International Relations.

PRIVATE BILLS AND RESOLUTIONS

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

By Mrs. SPELLMAN:

H.R. 10279. A bill to permit the burial of Chief Tayac in Piscataway Park, Oxon Hill, Md., to the Committee on Interior and Insular Affairs.

By Mr. YATES (by request):

H.R. 10280. A bill for the relief of Dong Hwan Kim; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

WATER USE AND ALLOCATION

HON. AL ULLMAN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. ULLMAN. Mr. Speaker, one of the most critical issues confronting agriculture in the West is water use and allocation. If doubt about this fact ever existed, it was dispelled last August, when the Interior Department and Bureau of Reclamation proposed regulations regarding the distribution of this regionally scarce resource from Federal impoundment projects.

The Department's proposal responded broadly to a relatively narrow court ruling on water distribution. By so doing, it cast doubt on scores of agreements between the Federal Government and water users, reached over three-quarters of a century.

Predictably, the proposal was met by waves of protest that welled up in every Western State where Federal projects help control the flow of rivers and streams. Just as predictably, the Department has initiated an intensive review of its proposed regulations.

Meanwhile, however, contracts and agreements reached in good faith remain in doubt; planning for the coming crop year is rendered impossible.

Mr. Speaker, farmers in the West cannot afford this uncertainty. As a result, I have introduced legislation that will give Congress the opportunity to demonstrate that the Federal Government is as good as its word.

The bill is a simple one. It addresses a very limited aspect of the controversy currently swirling around reclamation law. It would do nothing more than validate the contracts and written representations upon which water users have long-relied.

The bill would not allow any Federal water user to obtain release from acreage limitations by arguing reliance on general Bureau of Reclamation policy statements or Bureau representations made to other contracting entities. It defines "written representations" restrictively, including only those representations that are addressed to or logically encompass a specific project, district, or other contracting entity. And, for purposes of eliminating the cloud presently hanging over the title to acreage in these districts, the Secretary of the Interior would be required to issue a recordable document which states that the land is no longer subject to certain restrictions—in legalese, that the release is "appurtenant" to the land.

As my colleagues know, several bills have been introduced that would affect one aspect or another of the current controversy involving reclamation. Let me take a moment to explain why, in my judgment, the legislation I have just introduced merits expeditious consideration and broad bipartisan support in the House.

For many years, the Bureau of Reclamation has interpreted reclamation law to allow for the release from acreage limitations of some or all water users whose allocated construction costs were repaid. Reclamation water was not available to holders of excess lands unless all allocated costs were fully repaid. Pursuant to this long-standing Bureau policy, contracts were entered into with irrigation districts and individual entities—individuals, partnerships, and cor-

porations—which specifically provide that the excess land provisions "shall cease to operate when the construction charge obligation allowable to such land has been paid in full to the United States." Because of various court decisions and administrative interpretations, the Bureau has ruled that the "pay-out" provisions in 50 years of contracts are now inoperative.

In the Klamath project alone—a Federal reclamation project partially in my congressional district—over 170 contracts exist with irrigation districts and individual entities which either contain, or have been represented to be subject to, "pay-out" provisions. It must be remembered that these contracting bodies agreed to the restrictions and conditions of the reclamation contracts only because of Government assurances that the restrictions would terminate upon repayment of the allocated construction costs. In fact, in many cases, the reclamation contract was proposed and entered into primarily to facilitate the Government's own interests. Contracting individuals and other entities agreed to forego existing water rights and allow the Government to undertake its reclamation project only after strict assurance that a "pay-out" provision would be included.

Most of the contracts in the Klamath project have been fully paid out—some for over 20 years. During this period there has been general compliance with the existing reclamation laws, as interpreted by the Bureau of Reclamation. Both the water users and the Federal Government have recognized and acknowledged that the paid-up entities were no longer subject to excess land provisions. Prospective purchasers of land within these districts have often inquired whether a release had in fact been effected and were always assured by the Bureau that it had been. Without this legislation, these purchasers would be required to dispose of their excess acreage at only a fraction of the price at which it was purchased.

I recognize, Mr. Speaker, that our reclamation laws are currently the subject of intensive reviews being conducted by the administration and by Congress. The administration hopes to send to Congress a package of recommended changes soon after March 1, 1978, and in January the House Interior Subcommittee on Water and Power Resources intends to hold field hearings to better inform itself on what changes will be needed. One can anticipate with some certainty that throughout the next year the subcommittee will intensively study the basic acreage provision itself, the residency requirement, the regulatory definitions or "neighborhood" and "family," a class I equivalency factor and many other provisions which currently constitute our reclamation laws. It is my hope, however, that Congress will not wait and include today's "contract-ratification" proposal in this comprehensive revision. Whether or not the Government should honor its word to those who have relied thereon, is not an issue to be relegated to a general discussion of what our reclamation laws should accomplish. Congressional action should not depend upon an examination of the accuracy of the Bureau's former interpretations of reclamation law. The only issue is whether or not the United States Government does indeed intend to keep its word to the Federal water users in our Western States.

Mr. Speaker, it is my sincere hope that this legislation can be adopted in a nonpartisan and expeditious manner. Thank you very much.

BANKRUPTCY HEARINGS

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. EDWARDS of California. Mr. Speaker, the Subcommittee on Civil and Constitutional Rights has scheduled hearings in December on the court and administrative structure for bankruptcy cases. I wish to announce the dates of the hearings, the witnesses we have invited, and the scope and nature of the hearings, so that all interested members, groups, and individuals will have an opportunity to attend or to submit their views to the subcommittee. Though we will not have time to schedule any additional witnesses for oral testimony, we welcome written comments for the record on this important aspect of the bankruptcy revision legislation. The record will remain open through January 6, 1978:

SCHEDULE

Monday, December 12, 1977—2:00 p.m.:

Harold Marsh, Former Chairman of the Bankruptcy Commission.

American College of Trial Lawyers (The Honorable Simon Rifkind, Immediate Past President).

J. Stanley Shaw, Esq., Long Island, New York.

Tuesday, December 13, 1977—9:30 a.m.:

The Honorable Shirley M. Hufstedler (9th Cir.).

Commercial Law League of America, (Robert B. Chatz, Esq., President; Louis Levit, Esq.).

Robert Morris Associates (John W. Ingraham, Citibank, N.A.).

Tuesday, December 13, 1977—2:00 p.m.:

Judicial Conference of the United States (The Honorable Wesley E. Brown (D. Kans.), Chairman, Judicial Conference Ad Hoc Committee on H.R. 6; The Honorable Edward Weinfield, (S.D.N.Y.), Chairman, Judicial Conference Committee on Bankruptcy Administration; The Honorable Ruggero Aldisert (3d Cir.)).

National Conference of Bankruptcy Judges (The Honorable Conrad Cyr (D. Me.), Immediate Past President; The Honorable Joe Lee (D. Ky.); Arthur Moller, Esq.).

American Bar Association (Stanley Chauvin, Esq., Ky., Chairman, AB Task Force on Bankruptcy Law Revision).

Wednesday, December 14, 1977—9:30 a.m.:

The Honorable Griffin Bell National Bankruptcy Conference (George M. Treister, Esq., Los Angeles; William Rochelle, Jr., Esq., Dallas; Professor Frank Kennedy, University of Michigan Law School; Professor Vern Countryman, Harvard Law School).

NATURE AND SCOPE

The following letter is being sent to all witnesses that will testify:

DEAR ——— ———: We are looking forward to your testimony before the Subcommittee on Civil and Constitutional Rights during our hearings on the court and administrative structure for bankruptcy cases.

The purpose of the hearings is to examine how the substantive bankruptcy law changes in title I of H.R. 8200 can be carried into effect. Title II of H.R. 8200 proposes one system. We wish to explore others as well.

The other important aspect of title II of H.R. 8200 is the establishment of United States trustees. We expect that United States trustees will solve, to a large degree, the first problem listed above. There is little disagreement over the establishment of the system. However, the proper placement of United States trustees remains a difficult question. We would like you to address that issue also.

We will appreciate your informed views at the hearing, and hope to have your prepared statement as soon as your schedule allows, so that we may be able to discuss your ideas in sufficient depth.

With kind regards,

Sincerely yours,

DON EDWARDS,
Chairman, Subcommittee on Civil and Constitutional Rights.

WHY THE RUSSIANS ARE HAPPY

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. DERWINSKI. Mr. Speaker, while the news media is concentrating on the recent developments in the Middle East and the problems of southern Africa, one should not forget the status of the SALT talks between the United States and the U.S.S.R.

Frankly, I am concerned. The administration is so eager to reach agreement for agreement sake that our national security could be affected.

An editorial in the Chicago Tribune of December 5, warns of this possibility, and I insert it at this time for the attention of the Members.

WHY THE RUSSIANS ARE HAPPY

Sources in the State Department said recently that United States relations with the Soviet Union have improved in the last six months. They think the strategic arms limitations negotiations have had something to do with it. We think so, too, although we certainly don't feel any of the State Department's euphoria.

If Paul Nitze, a former deputy secretary of defense, is right, the Russians have ample reason to be pleased with us. He charges that the U.S. has been overly generous in its SALT concessions to the Soviet Union and that this will have an adverse effect on future national security. Although he has been criticized for this, we have great confidence in Mr. Nitze's judgment. In fact, we have considerably more confidence in him than in President Carter, who recently said: "A SALT II accord must spell out a fixed and sensible balance. Thereafter, a SALT accord would advance us toward the final goal of reducing nuclear weapons to zero."

A President who talks of "zero" nuclear weapons is being unrealistic, for several reasons, and might logically be expected to encourage the kind of SALT concessions which

alarm Mr. Nitze. As columnist Patrick Buchanan pointed out on our Perspective page last Tuesday, a U.S. without nuclear weapons "becomes indeed the 'paper tiger' of Mao's phrase." Without nuclear weapons, Mr. Buchanan said, "God would again be on the side of the big battalions. And today the big battalions are Asian, Communist, and Russian, not American." We suggest that Mr. Carter, an advocate of reduced defense budgets, reflect upon that. We do not like living in a world of nuclear weapons any more than anyone else, but we know that in an atomless world we are going to need far more big battalions than the President seems to think.

Mr. Carter also favors an end to nuclear tests, and Mr. Brezhnev has obliged him recently by proposing one. We suggest that the President heed the warning of his defense secretary, Harold Brown, that the land-based Minuteman missile force will become vulnerable to Soviet nuclear attack by the mid-1980s. Without tests, how will we develop a replacement?

It is not surprising to hear reports that the Defense Department, worried about that impending vulnerability, has begun a major review of our strategic defense posture. We hope this study is conducted soon and in great detail and that its findings are enunciated clearly and heard by the American people. If the impending SALT II agreement in itself is not fatal to this country, certainly the attitudes of the Carter administration can be. We cannot hope to survive in a superpower world unless we remain as potent as those who would destroy us. Idealism is not enough to deter a Soviet attack.

NEW YORK POLICE CHIEF MICHAEL J. CODD

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. MURPHY of New York. Mr. Speaker, the city of New York is about to lose one of its most valuable public servants. Police Commissioner Michael Codd's second retirement marks the end of a most remarkable career, the termination of a 36-year career during which he rose the entire distance from the rank of patrolman to chief inspector—the highest uniformed rank—when he first retired in early 1973, and was later called out of retirement to become commissioner at Mayor Beame's request.

Mike Codd was not only a good policeman; he was also a good administrator. The New York Police Department is a multimillion dollar enterprise with an extremely intricate institutional structure. It is not only constantly changing within itself, but within the environment of the Nation's largest city. It is a position which requires tough executive leadership, and those are the qualities which he brought during his tenure.

It is not an easy job, but his supreme handling of such emergency problems as the power blackout and the city's fiscal crisis which forced huge layoffs and other "economy" moves within the police department, has brought the city a tradition of quality leadership which will be hard to match. His has been an administrator known to be tough, honest, and highly deserving of the public's confidence.

The words which he himself chose to describe the department's performance during recent times of crisis are an equally fitting tribute to his career: He rose to the challenge and served the city magnificently.

EXPERTS PREFER NUCLEAR ENERGY OVER SOLAR ENERGY

HON. TOM BEVILL

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. BEVILL. Mr. Speaker, I read with great interest a recent news story out of Miami concerning some energy conclusions of 14 of the world's leading scientists.

At a nuclear energy conference in Miami, the scientists called for expanded development of nuclear energy as a major means of meeting growing energy demands of the immediate future.

The scientists concluded that because of the cost factor involved in making solar energy practical in the near future, our major energy efforts should be directed toward nuclear energy systems.

For those of us concerned with exploring every avenue for increased energy production, I would strongly recommend the contents of the accompanying article.

EXPERTS PUSH N-ENERGY OVER COSTLY SOLAR WORK

MIAMI.—Fourteen of the world's leading scientists have concluded solar energy is too expensive and called for stepped up development of nuclear energy, including the fast breeder reactor program vetoed by President Carter.

The conclusions were contained in a position paper simultaneously released yesterday at Miami, Tokyo, Paris and Montreal.

The group includes four Nobel laureates and Stanford University's Dr. Edward Teller, father of the H-bomb. Floyd Culler, director of the Oak Ridge National Laboratory, and Alvin Weinberg, of Oak Ridge, also took part in the conference.

The 14 gathered at Fort Lauderdale, Fla., last week at the invitation of the University of Miami for a five-day "International Scientific Forum on an Acceptable Nuclear Energy Future of the World." A 14-point white paper was drafted by the group at the close of the meeting. Its contents were disclosed yesterday.

The paper acknowledges there is a danger that nuclear power facilities will be converted to production of weaponry. But the scientists concluded that proper precautions could prevent that. It found the threat of nuclear accidents insufficient to abandon nuclear power projects.

The paper said fast breeder reactors, which President Carter opposes for fear of nuclear bomb proliferation, are among a number of "candidate systems" to replace current methods of nuclear power production.

Dr. Behram Kursunoglu, director of the University of Miami's Center of Theoretical Studies, who was host to the conference, said yesterday solar energy is impractical in the foreseeable future because in addition to its cost, it takes up too much space.

He estimated that nuclear fusion (harnessing the hydrogen atom) may be impractical for as much as 20 years. But he said nuclear fusion might be combined with existing nuclear fission techniques into an acceptable, efficient hybrid system before that.

CLARIFYING THE INTENT OF CONGRESS: AUTHORIZING ACCESS ROADS FOR THE GREAT RIVER ROAD

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. OBERSTAR. Mr. Speaker, today I am introducing a bill to authorize access spurs along the Great River Road to cross the Mississippi River.

The Great River Road is a recreational and scenic highway, running parallel to the Mississippi River from Lake Itasca in Minnesota to the Gulf of Mexico. It was established by section 14 of the Federal-Aid Highway Act of 1954, Public Law 83-350. Federal funding for the Great River Road was first authorized by the Federal-Aid Highway Act of 1973.

The 1973 act provided that Federal funds could be used on only one route parallel to the river. It was the intent of Congress that there not be two parallel roads. However, States are allowed to construct the Great River Road alternate on the other side of the river with their own money.

On November 22, 1976, the Federal Highway Administration (FHWA) issued regulations to govern Great River Road construction. Aside from the one route parallel to the river, their regulations provide for "access spurs to areas of scenic enhancement proximate to the Mississippi." The FHWA has interpreted the prohibition against roads on both sides of the river to mean that these spurs cannot cross the river. The FHWA feels it needs a specific expression of congressional intent before it allows access spurs to cross the river.

The result of the FHWA regulations has caused a reduction in the scenic and recreational value of the Great River Road. The purpose of the road is to provide for greater accessibility to places of interest along the river. Access spurs enhance this accessibility. But when those places of interest happen to lie on the other side of the river, no access is provided.

To remedy this situation, the legislation I am introducing specifically provides that access spurs may cross the river, where necessary. The bill does not allow Federal funding of either new bridges across the river or two parallel roads along the river route and does not require new authorization or appropriation.

Mr. Speaker, there are countless places of scenic, historical, and recreational interests along the Great River Road whose esthetic and cultural value should be made available to all Americans.

DISPLACED HOMEMAKER ASSISTANCE ACT

Hon. Yvonne Brathwaite Burke

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mrs. BURKE of California. Mr. Speaker, today I am introducing legislation which will amend the Comprehensive Employment and Training Act of 1973 (CETA) to include a program of assistance for displaced homemakers.

This amendment follows the conclusion of House and Senate hearings on H.R. 28 and S. 418, respectively. I am particularly pleased to have my esteemed colleague, AUGUSTUS HAWKINS, chairman of the Employment Opportunities Subcommittee of Education and Labor, as a cosponsor today.

To a great extent, the problems of today's displaced homemakers reflect the dramatic changes in our society. Today, nearly one out of three marriages ends in divorce. With the continuing trend to no-fault divorce, many women are suddenly finding themselves alone and independent, a status for which they are completely unprepared. Alimony is rapidly becoming a relic of the past. The National Commission on the Observance of International Women's Year discovered that only 14 percent of divorced women receive alimony and within this group, only 46 percent receive alimony regularly. The trend in many States with divorce reform legislation on the books is to limited alimony, alimony which is granted for a specified period of time, for example, 5 years, at the conclusion of which time the women are expected to be self-supporting.

Widowhood presents other difficult problems for older women. Survivors' benefits vary enormously. Often, the carefully developed plans for retirement are found painfully inadequate in the light of galloping inflation. Insurance money ordinarily covers only a few years of living expenses. Presently, there are four times as many widows as widowers. The life expectancy of women is 75 years compared to 67 years for men. The painful reality is that the older women become, the more likely it is that they will be on their own.

This tragic situation is compounded by a marked departure in the customs of previous generations. In the past, there were fewer divorces and widows were taken in by relatives. Today, because of the mobility of families, differences in lifestyles and smaller homes, this solution is often impractical.

The displaced homemaker cannot turn to the usual sources for temporary financial relief. Even though she is unemployed, she does not qualify for unemployment compensation. Under present law, if she is divorced after having been married less than 20 years, she may not qualify for social security benefits. If she has no children under age 18, she will be ineligible for aid to families with dependent children.

Having fallen through the cracks of every income security program devised, displaced homemakers are left to fend for themselves in the job market. I need not tell you that the middle-aged woman who has spent her adult life in the traditional role of homemaker finds it extremely difficult to make the transition from dependence on a family breadwinner to being self-supporting. Aside from the psychological adjustments, she may not be able to overcome the obstacles of the job market. Her lack of recent paid work experience combined with her age and sex make her chances of immediate employment dim in a youth-dominated culture. She may never have had to look for a job in her life and is confronted with such problems as conducting a job search, writing a resumé, competing with younger workers and mastering the technology of today's business world.

The most recent statistics compiled by the Bureau of Labor Statistics indicate that in November 1977 there were 280,000 unemployed women aged 55 or older. That statistic, however, includes only those who are actively seeking work. Many displaced homemakers are so traumatized by their first ventures into the job market that they retreat to lives of quiet desperation. Some turn to alcohol, others to prescription drugs to ease the burden that has been placed so unexpectedly upon them.

Displaced homemakers have, for some time, been isolated individuals desperately in need of assistance. However, many have recently found themselves an organizational vehicle in the Alliance for Displaced Homemakers, whose coordinators Tish Sommers and Laurie Shields, are themselves displaced homemakers. Ms. Somers and Ms. Shields have forged a network of displaced homemakers that stretches across this country and into every State in the Union. It is small wonder that in a very short time, displaced homemakers legislation has been adopted by 14 States and introduced in a number of others.

Having become acquainted with the problems of displaced homemakers through my contact with the Alliance for Displaced Homemakers, I introduced H.R. 28 to assist displaced homemakers during their difficult readjustment period. H.R. 28 provides for the establishment of 50 multipurpose centers to offer job training and placement services, counseling and referrals in health care, education, legal assistance and financial management, as well as outreach and information services relating to already existing programs.

I realize that Government resources are limited and that they must be deployed as efficiently as possible. For this reason, I have drafted an amendment to the Comprehensive Employment and Training Act of 1973 which will come before the House Employment Opportunities Subcommittee early next year for reauthorization.

My amendment retains the basic provisions of H.R. 28 in that it provides for the establishment of a minimum of 50 multipurpose service centers for displaced homemakers which would provide job counseling, training and placement services for work in both the public and private sector. It provides referrals for existing services in health, legal assistance, education and financial management. Additionally, provision is made for payment of stipends to those demonstrating financial need.

I am aware that in the past, CETA has not been particularly responsive to the needs of older workers. Research done by Ms. Sommers indicates that although CETA serviced 1.5 million persons in 1975, only 3 percent of that number were age 55 or older, despite the fact that from the fourth quarter of 1973 to the first quarter of 1975, unemployment more than doubled for persons age 55 and older.

Many CETA programs have not been designed to meet the needs of displaced homemakers simply because they were intended to move persons from the welfare rolls into the job market. Others were devised to take care of the large numbers of unemployed workers following the long recession we recently experienced. Displaced homemakers, because they are older, have never worked or are not currently receiving Federal assistance, have not been perceived as a group in need of assistance.

Because CETA programs funded under title I, II and VI have not been attuned to the needs of older workers in general and displaced homemakers in particular, I have drafted my amendment to place an assistance program for displaced homemakers under title III, which serves designated groups in need of special assistance. Funding would be available through title III to nonprofit and community-based organizations which have to date been the most responsive to the needs of older women.

I am confident that this amendment will enable displaced homemakers to receive the assistance they need without duplication of existing services or agencies and I look forward to action on this proposal early in the second session of the 95th Congress.

Thank you.

CLINCH RIVER VETO: A BAD DECISION

HON. MORGAN F. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. MURPHY of Illinois. Mr. Speaker, President Carter has cast his first veto since he took office as President. On November 5, the President vetoed a bill authorizing $80 million for the experimental breeder reactor at Clinch River, Tenn.

The President's decision is well intentioned but poorly reasoned and badly timed, given our current energy problems. Carter justified his veto by saying that the breeder reactor would encourage the spread of nuclear weapons. In addition, Carter charged, the breeder would be "technically obsolete" and "economically unsound" once it was constructed. These charges are untrue.

Mr. Speaker, I would like to draw my

colleagues' attention to an article I have written on the Clinch River project, which responds to the President's criticisms of the breeder reactor. The article appeared in the Daily Calumet on November 18, 1977:

JIMMY TAKES FIRST VETO ACTION

(By Representative MORGAN F. MURPHY)

President Carter, in what has aptly been called a "retreat from reality," has cast his first veto since he assumed the Presidency. In an attempt to scuttle the nation's breeder reactor program, Carter vetoed a bill Nov. 5 that authorizes $80 million for the experimental breeder reactor at Clinch River, Tenn.

Carter sent the legislation back to Congress, saying that approval of the Clinch River project would undermine efforts "to prevent the proliferation of nuclear weapons" throughout the world. Carter further charged that Clinch River would be a "large and unnecessarily expensive project, which, when completed, would be technically obsolete and economically unsound."

Carter had to veto a $6.7 billion energy research and development bill to stop the funding of Clinch River. Fortunately, the President's veto may not be enough to kill the breeder reactor program. That's because later this month Congress will send Carter another bill appropriating $80 million for the breeder reactor and almost $7 billion for a host of other programs.

Carter's only alternative, short of vetoing the entire appropriations bill, would be to "impound" the breeder funds—that is, refuse to spend the money. But under a 1974 law, Congress has 45 days to overturn the President's decision by a majority vote in either house.

Carter's veto of the Clinch River project is well intentioned but poorly reasoned and badly timed. The President cited the danger of nuclear proliferation, noting that breeder produces (or "breeds") plutonium, a fuel which can be used to construct atomic bombs. But Carter's decision to halt the breeder does not really reduce the risk of nuclear proliferation, since it affects only the use of plutonium in the U.S. The danger of proliferation can be lessened only if other nations choose to follow the U.S. example, and that does not appear to be the case.

France, Britain, West Germany, the Soviet Union, and Japan have all conducted extensive fast breeder research programs for many years. Except for perhaps the Soviet Union and Britain, these countries are eager to find energy alternatives to coal, gas, and oil—which are in diminishing supply. Regardless of what the U.S. does, these nations will probably go forward with their breeder research programs.

The General Accounting Office (GAO) correctly noted in a report last July that the U.S. may actually run a greater proliferation risk by abandoning the Clinch River project. Other countries will most likely go on developing their breeders, and this will weaken America's ability to influence the safety features and design of breeders around the world.

It should be kept in mind that Clinch River is a research and development project. A decision to commercialize the breeder does not have to be made for perhaps seven to 10 years after Clinch River's construction. The purpose of Clinch River is to test the feasibility of operating a fast breeder reactor in a safe, economical, sound way. GAO pointed out that by completing Clinch River, the nation can move to a point where it can make an informed decision on whether to commercialize the breeder. But to stop construction now would retard U.S. progress in nuclear technology and dramatically increase future costs should the project be resumed later.

An example of how costs could soar: the Energy Research and Development Administration (now part of the new Department of Energy) estimated that if construction of Clinch River were stopped for just four months and then restarted, costs would increase nearly $350 million.

President Carter charged that Clinch River would be "technically obsolete and economically unsound" once it was constructed. These criticisms are untrue. There are no known advanced nuclear fission technologies (such as light water, molten salt, or gas-cooled breeder reactors) that promise economic or technical advantages to the liquid metal Clinch River breeder. Nor have any of these alternative breeder reactors been proven scientifically feasible. Moreover, all of the known breeder alternatives have some potential for producing weapons grade material. Alternatives such as solar, wind, or sea power won't be useful sources of energy for at least another 15 years.

As for Clinch River's cost, it is undeniably true that the breeder's price tag has jumped from an estimated $450 million when it was first approved by Congress to more than $2.2 billion. But much of that cost growth has been caused by inflation and higher interest rates. And while the breeder's economic benefits are not absolutely certain, its potential is great.

The world supply of uranium for conventional reactors is unknown and may not be adequate to meet our expanding energy needs in the future. In addition, the price of uranium—with the help of an international uranium cartel—has soared from $6 to $40 a pound in recent years. The value of the breeder is that it can extract 60 times more energy from each ton of uranium than today's light water reactors. This will allow the U.S. to extend its uranium supply for centuries to come.

Ironically, President Carter's veto comes at a time when he is pushing an energy program aimed at reducing America's dependence on depletable natural gas and foreign oil. By switching to atomic energy, the U.S. can reduce this dependence and move toward its goal of energy self-sufficiency.

GEOTHERMAL FUNDING IN ERDA AUTHORIZATION

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. PICKLE. Mr. Speaker, contained in S. 1340 is a small amount of money for two geothermal test wells off the coast of Texas. I am very pleased to see this money now on its way. It is not a large part of the bill, but it potentially is one of the more important.

Off the coast of Texas and Louisiana lie vast geopressured areas. They used to be the bane and headache of drillers seeking oil in the Gulf of Mexico. Now we are beginning to realize that they represent a significant energy source in their own right—more so, I think, than most people realize.

Congressman BOB GAMMAGE and I worked together to see this funding included in the bill, and we are very pleased at the prospect of actually tapping this energy source in the next few months.

BANKRUPTCY REVISION BILL

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. EDWARDS of California. Mr. Speaker, at Chairman HARLEY STAGGERS' request, I wish to include for the RECORD an exchange of correspondence between myself and Chairman RODINO and Chairman STAGGERS concerning a provision in the bankruptcy revision bill currently pending before the Committee of the Whole House on the State of the Union. The letters follow:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., October 27, 1977.

Hon. PETER W. RODINO,
Chairman, Committee on the Judiciary, U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I am writing in regard to H.R. 8200, a bill to establish a uniform law on the subject of bankruptcies, which was ordered favorably reported, as amended, by the Committee on the Judiciary on September 8, 1977. Section 332 of H.R. 8200 repeals section 3(c) of the Emergency Rail Services Act of 1970, which prohibits the guarantee of a certificate of indebtedness in a railroad reorganization case by the United States unless the claim of the United States is treated as an expense of administration and receives the highest lien on the railroad property and priority in payment under the Bankruptcy Act.

As you know, the Committee on Interstate and Foreign Commerce has jurisdiction over railroads. Having reviewed section 332, I wish to state that I have no objection to its inclusion in H.R. 8200, without prejudice to the jurisdiction of this Committee.

It is understood that the repeal of section 3(c) of the Emergency Rail Services Act of 1970 will be effective only insofar as future railroad reorganizations are concerned and would not prevent the Secretary of the Treasury from demanding the same priority now required by section 3(c) if he determines that circumstances so warrant.

Thank you for your consideration in this matter.

Sincerely yours,

HARLEY O. STAGGERS,
Chairman.

JULY 5, 1977.

The Honorable HARLEY O. STAGGERS,
Chairman, House Committee on Interstate and Foreign Commerce, Washington, D.C.

DEAR MR. CHAIRMAN: The Subcommittee on Civil and Constitutional Rights has recently reported favorably the bill H.R. 7330, a bill to establish a uniform law on the subject of bankruptcies. This bill is the first major revision of the bankruptcy laws in nearly 40 years.

As part of the Subcommittee's proposed revision, we have looked at other laws of the United States that directly or indirectly impact the bankruptcy process, in order to conform them with the general bankruptcy policies expressed in H.R. 7330. The areas of impact are few: priorities in bankruptcy, assignability of property of a bankrupt debtor, and discrimination by the government against bankrupts solely on account of their bankruptcy. There is one provision in a law that generally comes within the jurisdiction of the Commerce Committee that has such an impact on bankruptcy. H.R. 7330 pro-

poses a conforming amendment to this provision, and the Subcommittee requests your support.

Section 3(c) of the Emergency Rail Services Act of 1970, entitled "Financial assistance," prohibits the guarantee of a certificate of indebtedness in a railroad reorganization case by the United States unless the claim of the United States is treated as an expense of administration and receives the highest lien on the railroad property and priority in payment under the Bankruptcy Act. This provision, we feel, impairs the Secretary of the Treasury's flexibility in dealing with the exigencies of a major railroad reorganization case, and is generally contrary to the policy of H.R. 7330 to treat the Government as a general creditor without special priority. Section 332 of H.R. 7330 proposes repeal of section 3(c).

I fully understand the circumstances under which section 3(c) was enacted, and the priority there called for made sense in the reorganization of the seven Northeast roads. However, if this provision is to be used in the future, more discretion on the part of the Secretary may be a wiser course, from a bankruptcy perspective. The amendment H.R. 7330 proposes does not, of course, prevent the Secretary from demanding the same priority now required by section 3(c).

I note in passing that section 3 as written applies only to railroads under reorganization under section 77 of the Bankruptcy Act. If H.R. 7330 becomes law, railroads will no longer proceed under section 77, but rather under chapter 11 of proposed title 11 of the United States Code. This may make the entire debate over section 3(c) academic. However, in the event that the loan guarantee program is revived by amendment to section 3(a), the amendment proposed by H.R. 7330 would be beneficial to bankruptcy administration, and more in conformity with general bankruptcy policy.

I would appreciate hearing your comments on the changes proposed in H.R. 7330. I enclose a Ramseyer of the proposed change for your information. We expect full Committee to begin mark-up on July 14, and Floor action in September.

With kind regards.

Sincerely,

DON EDWARDS,
Chairman, Subcommittee on Civil and Constitutional Rights.

OSHA REPEALS IRRELEVANT RULES

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mrs. COLLINS of Illinois. As Chairwoman of the Government Operations Subcommittee on Manpower and Housing, I was pleased to hear Secretary Marshall announce on December 5 that the Occupational Safety and Health Administration will no longer expend its precious time and energy enforcing rules of questionable relevance to the health and safety of American workers. It is my strong hope that by unburdening itself from such wasteful preoccupations as the permissable size of knotholes in the siderails of stepladders, that OSHA can now turn its attention to the real issues that inspired its creation in the first place: the deadly hazards that plague one out of four Americans on the job, according to a recent study of the National Institute of Occupational Safety and Health.

This same study, summarized in the New York Times on October 3, 1977, supported the findings made by my subcommittee in hearings that we held last May, to the effect that an estimated 7 million workers are exposed to toxic substances, many of which are known—or suspected of being—cancer-causing. Even more shocking was the revelation that OSHA has been lagging far behind in its ability to regulate the use of these hazardous substances. I am pleased that OSHA has shown a willingness to redirect its efforts in a more promising direction.

THE 60TH ANNIVERSARY OF THE NATIONAL FEDERATION OF FEDERAL EMPLOYEES

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. UDALL. Mr. Speaker, I would like to take this opportunity to pay tribute today to the National Federation of Federal Employees, the oldest of all general Government employee organizations and the largest independent union of Federal employees in the Nation.

The National Federation of Federal Employees this year is celebrating its 60th anniversary of distinguished service to our dedicated civil servants and to the Nation as a whole.

The National Federation of Federal Employees was founded in 1917, at a time when Government workers had seen no general pay increase for 50 years and World War I had increased the cost of living to the point of causing financial problems for many. But money was not at the very heart of reasons the NFFE founders came together in September 60 years ago. Among the goals adopted at the Washington Charter Convention of NFFE were ideas that may have seemed somewhat radical at the time: a retirement program for Federal employees; a modern system of duties classification; elimination of the spoils system; and establishment of a sound personnel system and broader scope for the Civil Service Commission.

Because of the National Federation of Federal Employees and the precedents it continues to set, we have come a long way toward achieving these and other very worthwhile goals. Though the goals of today are different the original purpose of the organization continues to ring true to the American spirit.

I ask you to join me in saluting the National Federation of Federal Employees and in recognizing the untold accomplishments of an organization whose purpose, as stated in its constitution, includes "to aid in the perfection of systems that will make for greater efficiency in the various services of the United States."

MANIPULATION OF PUBLIC AND CONGRESSIONAL OPINION BY THE CENTER OF DISEASE CONTROL

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. OBERSTAR. Mr. Speaker, recently some very disturbing information regarding the CDC's involvement in modifying public and congressional opinion on a national political issue—the controversy over funding abortions under medicaid—has come to light. I commend for my colleagues' information the following copyrighted article, "Facts Don't Back Link of Abortion Death in Texas to Fund Cutoff," published in Ob. Gyn News by Mr. Richard Grauel and Mr. Frank Murray, and my letter to Secretary Califano asking for a thorough investigation of the CDC's involvement in this matter:

FACTS DON'T BACK LINK OF ABORTION DEATH IN TEXAS TO FUND CUTOFF

(By Richard Grauel and Frank Murray)

The woman portrayed as a martyr to the Hyde Amendment after she died from complications of a Mexican abortion actually may have crossed the border to keep the abortion secret from her family, despite a federal investigator's conclusion that she was motivated by the cutoff in funding brought about by the Hyde Amendment.

This newspaper obtained information that the woman had gone to Mexico for another abortion 2 years earlier, while covered by Medicaid, and that low-cost abortion had been available to her in her Texas home town when she opted for the second Mexican abortion.

It was learned that these facts were known to the federal investigator but were disregarded by him without making them public. He said he accepted instead the statement of a relative that the woman went to Mexico because of the Medicaid cutoff.

The woman's death, and the report by the Center for Disease Control linking it to the funding cutoff, have been cited in the national press, in congressional debate, and by Planned Parenthood in Washington as justification for rejecting the controversial Hyde Amendment, which bars expenditure of federal funds for most abortions.

The federal investigator, Dr. Julian Gold, officially reported five cases of abortion complications clustered in McAllen, Tex., (the other four not fatal) in connection with a survey of the effects of the cutoff Aug. 4 of Medicaid funds for abortions.

When asked about facts obtained by Ob. Gyn. News suggesting that his conclusion was at least questionable, Dr. Gold said he had known of those facts but chose to accept the word of the dead woman's relative, whom he refused to identify.

Asked how he had corroborated that statement, he replied, "How can you corroborate that kind of thing?"

(Another source, Dr. Daniel Chester, an ob. gyn. who treated the woman in the days prior to her death, said the relative was a cousin.)

Dr. Gold also conceded that he believes all of the other four women in the "cluster" were motivated to go to Mexico for abortions by their wish to keep the procedure secret from their families.

He said he knew that many women from Mexican Catholic backgrounds living along the border customarily go to Mexico for abortions so that their families won't learn of the procedure.

When told that the dead woman apparently had gone to Mexico for another abortion in 1975, when Medicaid would have paid for the procedure if it were done in Texas, Dr. Gold conceded that he also had known this and that he assumed she had done so then for privacy.

None of these facts had been reported either in official announcements of the "cluster" of abortion complications or in subsequent interviews by Dr. Gold, the CDC's principal investigator on the case and the person authorized to release facts from the file.

The cases were reported in the Nov. 4 issue of the CDC's Morbidity and Mortality Weekly Report. Dr. Gold wrote that report.

In his report, Dr. Gold said the woman consulted her physician on Sept. 1 and Sept. 19 about sternal pain.

"On the second visit, when she indicated to her physician that she might be pregnant, he informed her that Medicaid no longer paid for abortions. She subsequently obtained an induced abortion in Mexico," the report said.

The physician, Dr. Homero Rivas, longtime family physician for the woman, told this newspaper he did not tell the woman that Medicaid no longer paid for abortions. He said he told Dr. Gold that she had volunteered that information herself and that he merely confirmed it.

When asked about this, Dr. Gold insisted the report was accurate and said, "It's a semantic problem; I know people are reading it to say he turned her down for an abortion because she didn't have the money."

"The press have printed the things they want to print," said Dr. Gold..

Dr. Rivas said that if the woman had returned as instructed and the pregnancy was confirmed, he would have referred her to one of two medical groups "regardless of whether she could pay for it, because it's more important that she get an abortion done correctly than done cheaply."

"I do not do abortions," Dr. Rivas added in an interview.

Dr. Gold's superior, Dr. Willard Cates, head of the Abortion Surveillance Branch of CDC, said in an interview that data from Dr. Gold's investigation were being analyzed but were open to several possible conclusions. He said the relationship between the funding cutoff and the death was merely a temporal one.

Among those possible conclusions, Dr. Cates mentioned the possibility that the cutoff of funds was responsible for her death; the possibility that the specific facility in Mexico where the women were aborted was using unsanitary instruments or bad technique; and the possibility that the women had gone across the border to obtain more privacy than they thought would be available in McAllen.

Dr. Cates said it would be unscientific to draw any conclusion now.

Asked if the public had been misled, he said, "The public was very quick to jump and make the causal association, but I wouldn't use words as strong as saying we have misled them."

He said no statements or press releases had been issued to correct any misimpressions that might exist on the issue.

He referred all other questions to Dr. Gold, who said, "As for the woman who died, I feel it was reasonable to assume that's why she went. In that particular case, I'm convinced she went over because of the lack of Medicaid funding," Dr. Gold said.

Told that Lila Burns, the head of the Planned Parenthood Clinic in nearby Mission, Tex., where the dead woman had been a client, as well as Dr. Kenneth Landrum, a physician who treated her in McAllen General Hospital after the abortion, both felt she had gone to seek privacy, Dr. Gold said he would stick to his conclusion.

Asked why she would go to Mexico in 1975 for an abortion in privacy when she had Medicaid and not be assumed to be going for the same purposes now, he said: "I've thought about that point. I don't know."

The woman entered McAllen General Hospital on Sept. 26. A hysterectomy was done the next day. She died Oct. 3 of renal and cardiac failure attributed to disseminated intravascular coagulation secondary to sepsis. Clostridium perfringens organisms were demonstrated in blood culture. No autopsy was done.

For much of the week after she was admitted to the hospital, the woman herself continued to deny even that she had had an abortion. Near the last, while she was intubated and unable to speak, Dr. Chester again pressed her on this and asked her to squeeze his hand once for "yes" and twice for "no" to the question: "Did you have an abortion?"

He said she squeezed his hand to indicate yes.

When the death was revealed by CDC, the broadcast and print press gave it wide play with an approach typified by the three-column headline in The Washington Post: "Woman Dies After Mexico Abortion/Had Been Told of Medicaid Cutoff." A New York Times editorial, titled "First Victim," said "the dead woman carried a Medicaid card but it did her little good."

Jeannie I. Rosoff, head of the Planned Parenthood Washington office, said. "Members of Congress who support the ban on Medicaid abortions are responsible for a chain of events that inevitably led to the death and sufferings of these poor women.

A church memorial service was arranged during the meeting of the American Public Health Association. National family planning figures attended and heard the service's organizer, Elisa Sanchez, president of the Mexican-American Women's National Association, say, "The only thing that stood between her and life was a Medicaid card that wouldn't buy her an abortion she chose to have."

Ms. Sanchez told this newspaper she knew nothing more about the case than what had been in The Washington Post.

The Post report said, "A CDC spokesman said his investigators could not determine whether the dead woman had been refused a Medicaid-funded abortion. But he confirmed that she had been informed that they were no longer available before she crossed the border to get her $40 abortion in Reynosa, Mexico."

At a press briefing shortly afterward, Secretary of Health, Education, and Welfare Joseph A. Califano Jr. was asked about the case by a reporter who said, "But aren't you concerned at all about the involvement of federal policy in those deaths?" He corrected the number of deaths to one, called it sad, but said it did not justify a change in the law.

At a nationally televised press conference the next day, President Carter was asked a similar question by a reporter who said, "A young woman in Texas recently was unable to obtain a Medicaid abortion and went across the border into Mexico, obtained a cheap botched-up operation, and died.

President Carter did not directly address the question about the death, but restated his objection to public funding of abortions.

The entire appropriations bill for the Department of Health, Education, and Welfare has been tied up for months over the Hyde Amendment fight. In the most recent debate on the issue, on Nov. 3, several members of Congress cited the death of the woman in McAllen, Tex., and linked it to the issue before them.

Rep. Elizabeth Holtzman (D-N.Y.) was perhaps the most vivid:

"As a result of the actions of the House in restricting Medicaid abortions, a woman has already died. An unmarried mother of a 4-year-old girl, who was too poor to afford a safe medical abortion, crossed the border into Mexico to obtain an unsafe abortion. She died in a hospital in McAllen, Tex., just a few days ago. Hundreds, if not thousands, of other women will suffer the same fate."

HOUSE OF REPRESENTATIVES,
Washington, D.C., December 2, 1977.

Hon. JOSEPH A. CALIFANO,
Secretary, U.S. Department of Health, Education, and Welfare, Washington, D.C.

DEAR SECRETARY CALIFANO: I am writing in regard to what I believe to be a very serious problem, the apparent manipulation of public and Congressional opinion by Federal official's at HEW's Center for Disease Control in Atlanta.

Specifically, I am referring to information, recently published in the Washington Post, surrounding the tragic death of an American woman due to complications resulting from an abortion she had in Mexico, supposedly because Medicaid would not cover the costs in this country. The Post story suggests that the incident may have been fabricated. My purpose here is not only to question the findings of the CDC report, but to question the propriety of that agency in using that report in an effort to modify public and Congressional opinion on a national political issue.

When Congress established the CDC, it clearly did not intend for them to engage in winning political acceptance for the views of special interest groups or political parties. Furthermore, this thinly veiled attempt to manipulate opinion runs counter to both your and President Carter's publicly stated position on abortion.

The CDC, is not, nor should it be, a propagandizing agency. I urge you to conduct a prompt and thorough investigation of this matter and encourage the CDC to abandon these wasteful, misguided activities and proceed with urgent matters.

Sincerely,

JAMES L. OBERSTAR, M.C.

EULOGY FOR CARLETON J. KING

HON. DONALD J. MITCHELL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. MITCHELL of New York. Mr. Speaker, I note with deep regret the passing of a former colleague and member of the New York State delegation, the Honorable Carleton James King. Representative King, a native of Saratoga Springs, served his birthplace and the people of the 29th district of New York with distinction for 14 years, from 1960 until 1974. Prior to that, his years of law practice and bar experience in his native area made him a well-known and respected public figure in eastern New York.

I wish to acknowledge a personal debt to Representative King from my days as a freshman Congressman and colleague of his on the Armed Services Committee. In the course of our brief service together, Congressman King's earnest commitment to the security of our country through a strong national defense posture made a lasting impression on me. America's spirit of national strength,

which he sought to keep alive and vital for many years, will survive as a legacy to his dedication.

The people for whom Congressman King spoke in Washington join me in mourning his passing. Since many of my own constituents were formerly served by Mr. King, I am especially aware of the mutual regard and respect that existed between them. He will be remembered by those whom he represented for so many years, well and fondly.

TRYING TO REGULATE THE REGULATORS

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. LEVITAS. Mr. Speaker, as you know, one of my main congressional interests which I share with many of my colleagues, is the regaining of control over the bureaucracy and making its processes more rational. An article by Hugh Sidey in the December 5 issue of Time magazine has caught my eye. It is entitled "Trying To Regulate the Regulators," and deals with President Carter's proposed Executive order, "Improving Government Regulations" which appeared in the Federal Register of November 18, 1977.

I commend the President for his initiative in issuing this Executive order, and I hope that he will not be frustrated by the bureaucrats in fully implementing it in reality and not just in words. President Carter has taken a good first step. However, it is only a first step. If the President is to fulfill his commitment to the American people to get the bureaucracy in hand, he will have to go much further. It is not enough simply to get Government rulemakers to think before they promulgate. More control is needed. It is necessary for Congress, as elected representatives who delegate to the unelected rulemakers the authority to make rules, to have the power to review and veto these administrative rules and regulations. If the President is to achieve the goal of getting the bureaucracy in hand, he would be taking a major step by endorsing this proposal. Indeed, President Carter would prove to the American people that his pledge to control big government is being kept by providing this means of legislative veto for controlling regulations which have so burdened, confused, and harassed the American people for so long.

I want to bring the article from Time magazine to the attention of my colleagues. It contains some glaring examples of why control over bureauratic regulations is imperative:

TRYING TO REGULATE THE REGULATORS

(By Hugh Sidey)

(Regulations should be as simple and clear as possible. They should achieve legislative goals effectively and efficiently. They should not impose unnecessary burdens on the economy, on individuals, on public or private organizations, or on state and local governments.)

That unusually straightforward passage of governmental prose, printed in the Federal Register a few days ago, is a declaration of intent by Jimmy Carter. It is the preamble to a presidential order he hopes to issue before the end of the year. For those who dwell in the world of red tape, which is most of America, the words shone like diamonds in a mountain of slag. The wisdom rivaled that of Solomon.

Georgia's Charles Henson, had he read this, would have wept. For 28 years he manufactured Red Fox denims. Then one day came a ruling from the Federal Trade Commission: since his denims did not have any red fox fur in them, he could no longer use the name. Think of the joy Carter's sensible proclamation would have brought to the parsimonious New Hampshirite who had to spend $26.23 in postage to mail the bulky forms for a license renewal for his small radio station. Pity the distress the Carter doctrine will cause the Occupational Safety and Health Administration bureaucrat who propounded the 39-word, single-sentence definition of exit: "That portion of a means of egress which is separated from all other spaces of the building or structure by construction or equipment as required in this subpart to provide a protected way of travel to the exit discharge."

And, surely had the folks at the Bureau of Land Management known about the new dictum, they never would have issued 155 pages of requirements, including 23 fold-out diagrams, for fire equipment to be purchased for two bureau pickup trucks. The low bid was $31,000, an estimated $8,000 for the equipment and the rest for processing the regulations.

Carter's campaign to force Government rulemakers to think before they promulgate may not be the moral equivalent of war, but if he wins a few skirmishes he will be blessed from Bangor to Chula Vista.

Fred J. Emery, director of the Federal Register, looks over his desk each day at a 15-ft. shelf containing 73,000 pages of the Code of Federal Regulation. There are millions of entries, new rules for life in these United States. It grows as much as 5,000 pages a year. Emery has started a school for the rule writers. He is trying to make the language at least understandable. He illustrates the problem with a parable: "It is like the two fellows in the hot air balloon who get lost in a cloud and, emerging, call down to a man on the ground, 'Where are we?' The fellow calls back, 'In a hot air balloon.' The answer, like a lot of regulations, is absolutely accurate but totally useless."

Wayne Granquist and Stanley Morris at the Office of Management and Budget are guiding Carter's campaign. They drafted the presidential proclamation. In a few weeks they will present Carter with a final draft of an Executive order to all federal agencies and departments.

The next task will be to pump the order through the governmental circulatory system. Part of the problem is that the proliferation of rules often takes place in the depths of the bureaucracy, not at the top. A program chief hears a complaint and summons a committee, which calls in lawyers. New regulations are drafted, then sent to a boss who approves them. The regulations are printed; sent to the field; and one morning a federal authority is insisting—to take actual cases—that ice cannot be added to drinking water, chickens cannot be processed in rooms with tile floors, fire extinguishers are to be lowered 6 in., and cowboys must work within 5 min. ride of a toilet. The reasons for, and meanings of, the regulations have been lost somewhere between Washington and Pocatello.

At the very heart of the issue is the attitude of the thousands of people who concoct and enforce the Government rules. The best of the bureaucratic breed talk sincerely of transforming regulators from cops who are out to punish offenders to public servants who help citizens solve their problems. After all, it was partly a rejection of oppressive, expensive regulation by far-off authorities that led to the creation of this country 201 years ago.

H.R. 41 IS THE WRONG APPROACH TO ABUSES IN THE NAME OF CHARITY

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. BONKER. Mr. Speaker I am sure other Members of the House share my concern over abuses made in the name of charity; there is something particularly offensive about the person or organization that takes advantage of the nobler human emotions for selfish ends. Such abuses have recently prompted reform proposals, including Congressman CHARLES WILSON's bill, H.R. 41, to require charitable organizations which solicit contributions to disclose the percentage of a contribution which would actually go to the charitable purpose for which it is intended.

Although the purpose of H.R. 41, to limit possible abuses by ostensibly charitable organizations, is certainly commendable, I do not believe it is the proper way to remedy the problem. The legislation would be open to serious constitutional challenges on first amendment grounds, and it would do more to burden legitimate charities and religious groups than it would to discourage unethical solicitations. To impose on all religious and charitable groups the accounting, paperwork, and reporting required by H.R. 41 would punish the vast majority of worthwhile causes in order to halt the abuses of a tiny minority.

H.R. 41 has aroused some vigorous opposition. Regrettably, part of this opposition is based on misinformation. It was therefore especially instructive for me to read a very thorough and responsible analysis of H.R. 41 in a recent issue of Christianity Today. I heartily recommend the following article, by William Proctor, to my colleagues.

H.R. 41: THE STATE DEMANDS CHURCH DISCLOSURES

(By William Proctor)

Watergate cover-ups and clandestine Central Intelligence Agency activities have thrust us into an era when baring the organizational soul to the public has become a virtue—and the eighth deadly sin is refusing to do so.

Despite traditional protection from state interference, religious organizations are not immune to these pressures for disclosure. During the last year religious groups have been the targets of proposed legislation in bill, H.R. 41, introduced into the House of Representatives by Charles H. Wilson (D-Calif.), chairman of the Committee on Post Office and Civil Service.

Wilson's bill seeks to regulate any charitable organization, including churches and other religious groups, that solicits "in any manner or through any means, the remittance of a contribution by mail." In plain

language, this means that a religious group asking in any way for money to be donated to it through the mail is subject to the disclosure requirements of the bill. Groups covered by the bill would have to include with their solicitations the following information: the legal name and address of the charity; the purpose of the solicitation and intended use of the money contributed; and the percentage of contributions "which were directly applied" to the charitable purpose, after deducting "all fundraising and management and general costs during the most recent complete fiscal year."

This information must be provided at the point of solicitation, or when the appeal for funds is made, rather than at the demand of prospective contributors or investigators. The bill requires groups that solicit on radio to make their communications clearly audible. Those that use television must make their disclosures in clear lettering and for a sufficient period of time to allow the viewer to read the wording. The bill exempts some very short radio and TV appeals, and also "bona fide membership organizations," including churches, that make exclusive solicitations to their members.

Any charitable organization, including churches, that falls under the bill would find its records subject to the watchful eye of the Postal Service. At the request of postal authorities, church would have to supply "audit reports, accounts, or other information as the Postal Service may require to establish or verify information which such organization is required to include in solicitations."

From a legal point of view, there are two main problems with H.R. 41. In the first place, there is good reason to believe that the courts would find the bill unconstitutional. Secondly, even if the bill is constitutional, some of the key words and phrases are so vague that the courts would have to work overtime to give them meaning in future lawsuits.

The possible conflict of the bill with the Constitution centers on the First Amendment, which prohibits Congress from passing laws "respecting an establishment of religion, or prohibiting the free exercise thereof." If H.R. 41 becomes law it seems likely to restrict the freedom of churches and other religious organizations in fundraising. Television appeals would have to be interrupted by an extensive disclosure statement, and the impact of the appeal would be blunted. Also, the additional accounting and paperwork in delineating management and "direct" charitable costs will put an added financial burden on religious groups. In a kind of religious Catch-22, as churches spend more money on administration to comply with the disclosure law, the percentage of money they can apply directly to their charitable purpose will decrease. And in the public eye they may appear to be spending an inordinate amount of money on administration, partly because the disclosure law requires them to do so. The power of churches and other religious organizations to raise money freely to support their activities is necessary if they are to remain an independent force in society. Otherwise, financial pressures may force these groups to rely more on foundations or even government aid, and our constitutional priniciple of strong, separate spiritual institutions will be lost.

The U.S. Supreme Court has traditionally avoided taking an active role in restricting or regulating the activities of religious groups. On the contrary, most active steps by the court have been to broaden the power of religious groups. For example, in the 1952 *Zorach v. Clauson* case, the court held that a New York City ruling which allowed students to leave school for religious instruction during regular school classes was constitutional. The court again approved a form of state aid to religion in *Sherbert v. Verner* in 1963. Writing for the majority the late Justice Tom C. Clark said it was a violation of freedom of religion not to allow a woman who was a Seventh-day Adventist to receive state unemployment compensation. She had been fired by her employer because her religious convictions prohibited her from working on Saturdays.

H.R. 41, in contrast, would cast the federal government in an active role opposing religion. This role appears to be in conflict with the Supreme Court's landmark 1947 decision of *Everson v. Board of Education*, in which the late Justice Hugo Black declared that "State power is no more to be used to handicap religions than it is to favor them." Chief Justice Warren Burger reinforced this line of thought in 1970 in *Walz* v. *Tax Commission*, which upheld tax exemptions for property used solely for religious worship. Burger wrote, "We must also be sure that the end result—the effect—is not an excessive government entanglement in religion."

He established two tests to determine excessive state entanglement in religion: "whether the involvement is excessive, and whether it is a continuing one calling for official and continuing surveillance leading to an impermissible degree of entanglement." Although Justices Byron White and William Rehnquist criticized this entanglement standard in a later case. Burger's ruling still stands as the law of the land.

The Chief Justice conclued in *Walz* that a principle of "benevolent neutrality" should control the state's dealings with the church. The provisions of H.R. 41 seem anything but "benevolently neutral" as they attempt to impose an active fundraising and accounting burden on religious groups.

But the constitutional problems that surround H.R. 41 are only part of the problem. The language of the bill is so vague that considerable litigation is inevitable on that ground alone. One phrase that poses serious problems of interpretation is the statement that charitable organizations that solicit *"in any manner or through any means"* the remittance of contributions by mail must include the various financial disclosures with the solicitations. But what about the lay chairman of a local church pledge drive who stands in front of his congregation and tells them to take pledge cards from the ushers and mail them to the church? If nonmembers are present, must the chairman exclude them explicitly from his appeal, or recite the disclosure litany from the pulpit? Will missionaries writing of their financial needs on the field be under similar obligations? Which federal agencies will implement and police such requirements?

Or how about the pastor who is pulled aside by a nonmember who wants information about giving money to the church? If the pastor suggests that the inquirer drop his contribution in the mail, will this suggestion be a solicitation "in any manner and through any means"—a solicitation that would require a full, on-the-spot disclosure of management percentages? If so, the pastor's freedom in asking for contributions will be severely limited.

What it all boils down to is this: the phrase "in any manner or through any means" is so sweeping that it is bound to be challenged in court by religious groups that are understandably reluctant to surrender control over their fundraising.

An even more difficult section of the bill to define is the requirement of disclosure of the *percentage* of all contributions that were directly applied to the charitable purpose "after deducting all fundraising and management and general costs during the most recent complete fiscal year of the organization." In any charity, there is a large gray area of costs that cannot be defined clearly as either "management" or purely charitable. In a local church, is the ministers' salary a management cost, when a large part of his time is devoted to counseling and preaching? If the costs attributable to counseling and preaching are not being "directly applied" to the charitable purpose, it is difficult to imagine what would be. But the pastor is also an administrator. So to comply with H.R. 41 it will probably be necessary to allocate his salary between charitable and administrative functions.

Also, what about the church secretary's salary? Granted, the secretary may be doing "fundraising" work, like typing appeal letters. But the job may also include typing the minister's sermons and putting together the Sunday bulletin. That part of the secretary's salary required for both of these latter tasks would seem to be money "directly applied to the charitable purpose," but some postal investigator might well decide otherwise. If the bill becomes law, the failure to define these terms clearly could create a nightmare of paperwork and accounting costs for religious groups, and will make enforcement by the Postal Service even harder.

The problem of enforcement and surveillance brings up another difficult problem raised by the language of the proposed law. Recent amendments, apparently in response to constitutional questions about excessive state entanglement in religion posed by the *Walz* case, give lip service to restricting the Postal Service's power under the bill to oversee religious groups. For example, the Service cannot audit charities "at regular intervals" and can intervene only where there is a "specific need." But postal authorities still retain broad discretion under H.R. 41 to demand "such audit reports, accounts, or other information as the Postal Service may require to establish or verify information which such organization is required to include in solicitations."

Taken at face value these words seem to give the Postal Service the right to demand such confidential records as contributors lists. If these lists should become public, and there is reason to think that they might under the provisions of the Freedom of Information Act, a church or other religious organizations would lose control over who would have access to their hard-earned and carefully-guarded donor lists. Donors to unpopular or controversial evangelistic groups might find themselves being harassed by the group's opponents.

Finally, though churches and other religious groups that solicit "exclusively" from their "members" are excluded from the bill, the definition of the word "members" raises a knotty question. There are some churches with different classes of membership. The United Methodist Book of Discipline, for example, provides for "affiliate members" who can participate fully and hold office in one United Methodist church while staying on the rolls of another. There are also "associate members," who are members of a different denomination but who elect to participate in a United Methodist church on the same terms as an affiliate member. H.R. 41 is unclear whether the term "members" includes all these types. Defining the term precisely is essential to determine whether solicitations to one or more classes of "members" require disclosure under the bill. Furthermore, in some organizations all donors are regarded as members of a contributors' organization or club, and their membership gives them certain privileges and recognition. If the word "members" in this bill can be read so broadly, religious groups might be well advised to use the same escape hatch to avoid compliance with disclosure requirements.

But looking for ways to escape the requirements of H.R. 41 is not really the answer to this proposed legislation. Instead of imposing onerous, vague, and constitutionally questionable disclosure requirements on reli-

gious organizations, the federal government should concentrate on enforcing mail fraud and other statutes that are on the books. The most that is called for on the federal level is a statute that would preempt the various state laws now in force so that charity regulations would become more uniform nationally. Any such legislation, however, should only give federal authorities power to compel disclosure and investigate religious groups when there is evidence of some criminal or civil violation. Bills like H.R. 41 that require disclosure with no evidence of wrongdoing and give the Postal Service broad discretion in auditing confidential church records seem more an overreaction to the enthusiasm for disclosure than a measured proposal for effective long-term reform.

MERIDIAN EMPLOYMENT SECURITY OFFICE RECOGNIZED FOR WORK ON BEHALF OF VETERANS

Hon. G. V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. MONTGOMERY. Mr. Speaker, because of my deep interest in employment programs for our Nation's veterans, I am pleased to call attention today to the outstanding work being done by the Meridian, Miss., office of the Employment Security Commission for veterans. The attached materials explain quite thoroughly the outstanding work being done by James T. Dawson, Edward Furgalak, and William H. Wright. I include at this point in the RECORD a newspaper article detailing national and international awards the office won, plus letters and resolutions of commendation they have received:

EMPLOYMENT SERVICE OFFICE TAKES AWARD

The Meridian office of the Mississippi State Employment Service has won a second award for its services to veterans, Jim Dawson, office manager, announced.

It is the top award in the larger office category from the International Association of Personnel in Employment Security, a worldwide organization, according to Dawson.

The award was presented at the association's convention held in Hot Springs, Ark., marking the first time any office in the State of Mississippi has won the honor, Dawson said.

It was accepted on behalf of the Meridian office by John E. Aldridge, executive director of the Mississippi Employment Security Commission.

The Meridian office earlier was announced the winner of the top national Veterans of Foreign Wars award for its outstanding services to veterans.

The VFW presentation was made to Dawson at a banquet Saturday night in Jackson.

"I am highly pleased and honored that my staff has received both national and international recognition for its work," Dawson said. "It's a very nice feeling to be named number one from two areas."

JUNE 30, 1977.

Mr. JAMES DAWSON,
Mississippi State Employment Service,
Meridian, Miss.

DEAR MR. DAWSON: I want to take this opportunity to extend to you my personal congratulations on your recent awards for providing services to veterans. To receive national awards from two prominent organizations as the Veterans of Foreign Wars and the International Association of Employment Security is indeed a most commendable achievement.

The employment security system in this country has achieved great success due to outstanding and dedicated employees such as yourself. Please know that I am very proud to be associated with you and your agency.

On behalf of the entire regional staff here in Atlanta, I extend to you best wishes for continued success in your local office operations.

Sincerely,

JULIAN O. COLQUITT,
Regional Administrator.

RESOLUTION

The Mississippi Employment Security Commission in regular meeting, duly assembled, hereby expresses special commendation and personal congratulations to the Meridian Employment Service Local Office for winning two national awards for its services to veterans from the International Association of Personnel in Employment Security and the Veterans of Foreign Wars of the United States.

While we commend the entire staff of the Meridian Employment Service Local Office, we wish to especially commend James T. Dawson, Manager, and Edward Furgalak and William H. Wright, local Veterans Employment Representatives, for their leadership in making these accomplishments possible.

These commendable achievements reflect the cooperation and support of the Meridian area in the Employment Security system and services to its people.

We are indeed proud of our dedicated employees, and order that a copy of this Resolution and commendation be forwarded to the Meridian Employment Service Local Office.

RESOLUTION

The Lauderdale County Board of Supervisors, Meridian, Mississippi, in regular meeting, duly assembled, hereby expresses special commendation and personal congratulations to the Meridian Employment Service Local Office for winning two national awards for its services to veterans from the International Association of Personnel in Employment Security and the Veterans of Foreign Wars of the United States.

While we commend the entire staff of the Meridian Employment Service Local Office, we wish to especially commend James T. Dawson, Manager, William H. Wright, Placement Manager, and Edward Furgalack, local Veterans Employment Representative, for their leadership in making these accomplishments possible.

These commendable achievements reflect the cooperation and support of the Lauderdale County area in the Employment Security system and service to its people.

We are indeed proud of our dedicated Job Service staff and order that a copy of this Resolution and commendation be forwarded to the Meridian Office of the State Employment Service.

NINE DE KALB BOY SCOUTS RECEIVE EAGLE AWARD

HON. ELLIOTT H. LEVITAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. LEVITAS. Mr. Speaker, on December 3, 1977, nine Boy Scouts received their Eagle awards at St. Timothy's United Methodist Church in De Kalb County, Ga. Excluding military bases, this is the largest number ever to receive such an award at a single ceremony in De Kalb County, and in Georgia. All of the young men were from Troop 70, sponsored by St. Timothy's United Methodist Church.

The Order of the Eagle is the highest award that a Boy Scout can obtain. To do so, a boy must earn 24 merit badges and complete a community project which benefits the church, the local government, or the local community with a minimum of 8 hours and includes leadership through supervision of other scouts who assist in the project. Most of the young men from St. Timothy's spent from 30 to 50 hours on their projects.

It was my honor to be present at the awards ceremony, and it reminded me anew of the effect scouting has had on my own life. As a former Boy Scout, I learned the tenets of obedience, leadership, loyalty, comaraderie. The lessons of scouting have continued to be relevant in my life. The values imparted through the Boy Scouts are those that I still value highly. It was my pleasure to see the following young men receive their Eagles: Bruce Carraway III, Michael T. Craft, Jay R. Craytor, Michael R. Duryea, Norman L. Engard, Jr., Ronald W. Funkhouser, Kenneth N. Hickox, Jr., William T. Howe, and Kurt G. Winters. Their Scoutmaster is William E. Funkhouser, and the chairman of the Troop Committee is William Winters. They are all to be congratulated.

SECRETARY MARSHALL—HE GETS RESULTS

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. PICKLE. Mr. Speaker, a soft-spoken Texan is not quoted often in the press. But he gets results.

His latest is a growing list of achievements is the proposed revocation of 1,100 Occupational Safety and Health Administration regulations. The proposal to take 1,100 regulations and—not modify them—not improve them—not add more pages to clarify their intent—but to chuck them in the trash can—is one of the healthiest steps this Government has taken in a long, long time. President Carter promised to make Government more sensible and serviceable.

I applaud Secretary Marshall and his plain English, commonsense attitude toward government. I applaud the results of that attitude.

This is not the first occasion I have had to praise this man. Secretary Marshall joined forces with the IRS and Justice and carried forward the investigation of the Teamsters Central States pension fund with vigor and, again, with results. Under his and others efforts, the funds assets have now been turned over to independent investment managers of highest reputation who can now begin to safeguard these funds so that Central States participants can be better assured of a good pension at a reasonable cost and so that the allegations fund abuses can be put to rest once and for all.

Secretary Marshall has been effective in other ways, too. And he has through it all done the difficult job of simultaneously being true to the President, true to his Department, and true to the American people. He is a breath of fresh air. He is not an old Washington hand, and he is proof that you do not have to be to get things done.

BOSTON'S DESEGREGATION PROGRAM ENDS UP IN RESEGREGATION

HON. RONALD M. MOTTL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. MOTTL. Mr. Speaker, in today's Washington Post article by Evans and Novak titled, "Boston's Busing Stage II," the authors cite the results of Federal Judge Garrity's plan to desegregate the Boston school system.

Because of the great white flight out of Boston proper to the suburbs the end result is massive resegregation of a school system which was supposed to be desegregated.

This article does not tell of the astronomical cost the taxpayers had to bear nor of the waste of precious gasoline to transport students across town.

If you would like to put this devisive issue of busing behind us and restore the concept of the neighborhood school by giving each child the right to attend his neighborhood school, please sign discharge petition No. 1 at the Clerk's desk.

Hereafter is the eye-opening article by Evans and Novak:

BOSTON BUSING, STAGE II

(By Rowland Evans and Robert Novak)

BOSTON.—When Federal District Judge W. Arthur Garrity Jr. on Nov. 29 made clear that he—not the elected Boston School Committee—will ultimately decide which schools close here, he continued the judicial overlordship that has driven half the city's white students out of the school system.

What makes this remarkable is that the school committee is no longer the bastion of bitter-end anti-busers. Its Chairman, Kathleen Sullivan, provides moderate leadership that accepts the inevitability if not the wisdom of court-ordered busing. She led all candidates for reelection Nov. 8, when Boston's voters elected the committee's first black (a moderate) and defeated its foremost anti-busing zealot.

But the new school committee is treated no differently from the old school committee by Judge Garrity. He and what Miss Sullivan calls "those crazy experts of his" are not surrendering control. That suggests continued white exodus from the system, in which Garrity's rule has brought soaring per-pupil costs without improving education. "The victims are the kids," Sullivan told us.

This is stage II of Boston's busing. Violence and demonstrations have ended, and one-issue politicians are driven from office. But liberals elsewhere make a mistake if they interpret this as approval of busing. "The people don't go out and chant slogans," Sullivan told us. "They merely creep out of the system."

Unable to overcome the judge, they escape him. Since Garrity's busing order in June 1974, white school enrollment has dropped from 58,000 to 29,000. Experts had predicted a normal yearly loss of 3,000 whites, due to population patterns—12,000 over the last four years. So, because of busing, an additional 17,000 white students have left the system. In a city where the black population is only 20 per cent, the black school population is nearing 60 per cent.

A classic case is the Morris School in the West Roxbury section, which in November 1974 had an all-white enrollment of 347. A 1975 "masters' panel" of distinguished citizens (appointed by Garrity) recommended, as part of a citywide plan, a total of 260 whites and 70 blacks at Morris. But Garrity rejected the whole plan and redrew school boundaries to ensure a 50–50 racial mix. The result: Current enrollment at Morris is 23 whites and 123 blacks. The whites have all but disappeared.

Nor has the exodus concluded. A Garrity-ordered school reassignment last summer (later suspended) led many white liberals finally to give up and put their children in private schools. Garrity's resistance to the special program for gifted students has lowered another possible barrier to flight from city schools.

The decline of the Morris school enrollment, down from 347 to 146 in three years, is no extreme example. Unfilled classrooms, along with busing costs, have boosted annual costs per pupil to over $3,000 (and $5,500 at embattled South Boston High).

Mayor Kevin White, the tragedy is that high costs have produced education no better and likely worse than it was. But Garrity and his chief expert, Boston University Dean of Education Robert A. Dentler, have fought school closing as a covert attempt at resegregation.

When we interviewed Sullivan and Dean Dentler on television in September 1976, Dentler steadfastly denied *any* white flight. "It was then for the first time," Sullivan told us more than a year later, "that I realized how little those people understand what was going on."

Ignorance of political realities is characteristic of colonial rule by overlords who do not live in the political unit they control. Garrity lives in suburban Wellesley, Dentler in Lexington.

Garrity obviously regards Boston's politicians and people with intense suspicion. Although he may relinguish school control in about two years, Garrity exhibits a paternalistic need to protect Bostonians from themselves—another colonial characteristic.

Constitutional scholar Raoul Berger, in "Government By Judiciary," concludes: "The judges might begin by curbing their reach for policy-making power, by withdrawing from extreme measures such as administration of school systems—government by decree—which have disquieted even sympathizers with the ultimate objectives. Such decrees cannot rest on the assertion that the Constitution demands busing, when in truth it is the justices who require it in contravention of the framers' intention to leave such matters to the states."

For Garrity to take that advice would be welcome news for Bostonians and their elected school committee, who want nothing more than to run their own affairs without the good judge's protection.

THE NONGAME FISH AND WILDLIFE CONSERVATION ACT OF 1978

HON. EDWIN B. FORSYTHE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. FORSYTHE. Mr. Speaker, on July 28, 1977, Congressman BOB LEGGETT and I introduced the Nongame Fish and Wildlife Conservation Act. The purpose of this legislation is to provide financial and technical assistance to the States to enable them to develop and implement conservation programs for nongame fish and wildlife.

Although the Pittman-Robertson and Dingell-John programs have gone a long way toward fulfilling the conservation needs of game species, the sad truth is that no comparable legislation exists for the protection of nongame fish and wildlife. I recognize that the Endangered Species Act does provide protection for nongame species, but I submit that our national goal must be the preservation of wildlife before they become endangered.

What I am talking about is the quality of life in America—the quality of life for over 89 million Americans who each year venture into the outdoors to enjoy the nongame wildlife heritage of this great land of ours. It is time that we seize the initiative and move forward in an effective manner to insure that the full range of wildlife values in America are protected and conserved for the enjoyment of present and future generations. To accomplish this purpose BOB LEGGETT and I introduced the Nongame Fish and Wildlife Conservation Act of 1978.

On September 30 the Subcommittee on Fisheries and Wildlife Conservation and the Environment conducted hearings on this legislation. The testimony received by the subcommittee revealed a compelling need for the bill. Nongame fish and wildlife represent the overwhelming majority of the 3,700 vertebrate species found in the continental United States. Yet, at the present time, only 10 percent of these species receive any scientific management to insure their welfare, and with few exceptions these represent the game species. If the States had adequate resources to establish comprehensive nongame conservation programs, new or increased attention would be given to an average of 279 species in each State. This number is approximately twice the number of species which are legally harvested in each State and is probably more than three times the number of species which are currently the subject of a State wildlife conservation program.

During the September 30 hearings the subcommittee heard virtually unanimous support for the legislation and received several recommendations. The two major suggestions were that the bill be amended to provide an opportunity for comprehensive fish and wildlife planning that reaches beyond the boundaries of nongame species, and that the authorization levels be increased to accurately reflect the needs of the States.

Subsequent to the hearings, the legislation was redrafted to incorporate the many positive suggestions received. In particular, the authorization levels were increased and a comprehensive planning option was incorporated into the legislation. Today I am reintroducing the Nongame Fish and Wildlife Conservation Act with subcommittee cosponsors.

The Subcommittee on Fisheries and Wildlife Conservation and the Environment will be conducting additional hearings on the new legislation early in the

second session and it is my hope that these hearings will lead to prompt passage of the bill.

Mr. Speaker, if we as a nation are to meet the challenge to protect and conserve our natural wildlife resources, it is critical that the Congress enact a comprehensive nongame conservation program.

FIFTY YEARS OF LOVING KIDS

HON. JOSEPH P. ADDABBO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. ADDABBO. Mr. Speaker, the year 1977 marks the golden anniversary of the Queensboro Children's Shelter. Operated by the Queensboro Society for the Prevention of Cruelty to Children (QSPCC), which itself has survived 58 years as a volunteer social effort, the shelter was the first of many programs and facilities devoted to child care services.

Today, there is a variety of residential services, protective-preventive services, an innovative group home program, and a newly acquired day care center. Through it all, the society has fostered a unique understanding of parents and children in conflict. And, in these trying economic times, which have done little to prevent the incidence of violence against or by children, staff, and volunteers have given of themselves to make up for funding deficits.

Four members of the society have been honored for their devotion and service: Morris Horn, Maurice Nalven, Ann Thompson, and Herbert Prezant. In addition, I would like to add a few words of high praise and admiration for the chairman of the board and outgoing president, Ralph H. Kress; Louis L. Theiss, the new president of QSPCC; and, the executive director, Eric B. Brettschneider. From all of us—and on behalf of the children of Queens—thank you.

I insert into the RECORD an article concerning the honorees:

THE HONOREES

MORRIS HORN

It is with a sense of privilege and pride that the QSPCC bestows upon Morris Horn, labor statesman and community leader, the Youth Development Award. As the QSPCC pauses to celebrate 50 years of service through the Children's Shelter, it is appropriate that recognition be given a community resident who also has been a leader in the cause of caring for children and youth.

For more than 45 years, Morris Horn has been an active member and distinguished leader of the trade union movement in the United States. As a founder and secretary-treasurer emeritus of the Provision Salesmen and Distributors Union Local 627 A.F.L.-C.I.O., Mr. Horn has earned for himself an enviable position in union ranks.

In 1963, he inaugurated the Morris Horn Scholarship Fund which, under the sponsorship of Local 627, provides funds to deserving high school graduates wishing to continue their education.

During his many years of community involvement Mr. Horn, a resident of Bayside, Queens, has devoted himself with enthusiasm and great effectiveness to humanitarian causes such as the Boys' Town of Italy, the Muscular Dystrophy Campaign, the Negro College Fund and the United Fund, as well as numerous other philanthropies. He was a pioneer investor in Israel Bonds and has contributed generously to the United Jewish Appeal, the Weitzmann Institute and the Red Mogen David. He has ben honored by many organizations including the Parkinson Foundation and the International League for the Repatriation of Russian Jews.

As a founder, president and now honorary president of the Jewish Center of Bayside Oaks, Mr. Horn is carrying on in the noblest tradition of trade union ideals when he works for the betterment of young people.

ANN THOMPSON

For her dedication in active service to the children and families served by the QSPCC, Ann Thompson is being presented with the Distinguished Service Award.

Ann joined the QSPCC board of directors in 1973 and has served in a number of capacities including Assistant Secretary and Assistant Vice President for Development, her current position.

Eric Brettschneider speaks of Ann's involvement, "whether it's writing letters to companies requesting raffle prizes, selling chances at the Summer Garden Party, working on a Phonathon or Street Fair, or contacting someone whose support is needed, we can always count on Ann to pitch in and help."

The list of community organizations that benefit from Ann's participation is long and impressive. She is presently chairperson of the Central Civic Association of Hollis, a member of Community Planning Board No. 12, and the Jamaica branch of the NAACP. She has served as secretary, co-chairperson of the housing and education committees, and New York State membership chairperson of the NAACP, First Vice President, Second Vice President and Financial Secretary of the Central Civic Association of Hollis, executive board member of the League of Women Voters, member of Queens Borough President Donald R. Manes' Decentralization Committee, Treasurer of the South East Queens Community Organization and member of the District 29 panel to screen nominees for the community school board.

And the list continues . . . Ann is recording Secretary for the St. Gerard Drum and Fife Corps, member of the Human Resources Council of the Greater Jamaica Chamber of Commerce, Publicity Chairperson of the 705th Precinct Community Council.

In the political arena, Ann is a member of the United Democratic Club, 29th A.D., New York State Committeewoman for the 29th A.D. and in 1972 and 1973 was elected to the Democratic Judicial Convention for the 11th Judicial District. Ms. Thompson was also an elected delegate to the First National Women's Conference in Houston, Texas.

Ann feels her seven years' work experience as a Manpower Development Analyst and Director of manpower outreach programs for New York City's Office of Manpower and her B.A. in political science from Queens College have helped make her more effective in her community work.

A longtime resident of Queens, Ann currently resides in Hollis with her husband Otis and their two children, Steven, 15 and Denise, 12.

MAURICE NALVEN

In gratitude for and recognition for his many years of service to the QSPCC, Maurice ("Mal") Nalven, is receiving the President Emeritus Award.

Born in Brooklyn, New York in April of 1925, Mr. Nalven was educated in the public schools of that borough. Upon his high school graduation, he attended Syracuse University and attained his Bachelor of Science degree in 1949.

Mal came to Jamaica in 1957 and, though he had various prior civic interest (i.e., YMCA, Kiwanis), he was introduced to the work of the QSPCC in 1961 via the efforts of James Holton, a long time member and past President. Mr. Nalven had entered the insurance business with Mr. Holton, subsequently became a partner and, later on, bought him out.

He speaks of the QSPCC with abiding affection, particularly relating to its actions under his presidency (1973–1975). Mr. Nalven said he was "pleased with the awareness of the Board and extremely gratified to be a member and officer."

Regarding priorities for QSPCC, he realized long ago that there is a role that must be played in helping children become "productive adults." Said he, "Our policy should be to take the course of action so determined for mutual understanding. The professionals have been telling us that the best corrective way is to de-institutionalize." This idea is the foundation in the Society's group home endeavors.

No stranger to high office, Maurice Nalven is a past Chairman of the Board of the YMCA. In October, 1972, he was selected as Man of the Year for Outstanding Service. Well-known and respected in his chosen profession, he was President of the Insurance Agents Association of Queens County, Inc., 1963–64, from whom he received a Certificate of Appreciation.

At six feet and 185 lbs., "Mal" keeps himself in good shape by engaging in year-round recreation with his sons Glenn, 19, Todd, 14. It's golf, tennis and sailing in the summer and skiing and skating in the winter. Paddleball is another favorite.

Herbert Sam Prezant, Chairman of the 1977 Annual Awards Dinner Dance, is QSPCC's First Vice President and is known throughout Queens for his dedication to community service.

Sam served in World War II from 1942 to 1946, after which he successfully operated an automobile agency in Elmhurst, where he now heads a real estate and insurance brokerage business.

Mr. Prezant is a member of Temple Israel of Jamaica and the Jamaica Estates Assn. He also holds membership in the National, New York State and Queens County Insurance Agents Association and has served on the Community Councils of the 110th and 112th Precincts of the New York City Police Department, Salvation Army Service Unit of Queens and as Special Assistant to the State Attorney General. He is a Master Mason, Elk, and Odd Fellow. Recently, Sam became a member of the Relationships Committee of the Greater New York Councils, Boy Scouts of America.

Sam was responsible for organizing the Elmhurst Chamber of Commerce and is President and Chairman of the Board of Directors. He also helped to form and heads as its president, The Elmhurst Economic Development Corporation.

During the last fourteen years, Mr. Prezant has devoted much of his energetic existence to Lionism. He is a charter member of the Lions Club of Elmhurst, having served it in every office and capacity. In July 1969, in Tokyo, Japan, he was installed as District Governor of Lions International, heading a District comprising all of Queens and Brooklyn, and consisting of 44 individual Lions Clubs. His pet project has been an Eye and Ear Mobile Unit which provides free vision and hearing screeming to all and is often seen in the local communities of both boroughs. He has received many Appreciation Awards and Citations from international, state and district levels of Lions International for Outstanding Service.

Sam was introduced to the QSPCC seven years ago when he became a member of the

Board of Directors. In 1974, he saw a tremendous need for an official publication and with the approval of all concerned the QSPCC NEWS, VIEWS, newspaper was born. The first edition went to press in September, 1974, and the paper has completed three years with Mr. Prezant as its editor. For this and other outstanding service, Mr. Prezant was honored by the QSPCC's Board of Directors in December, 1975.

A TRIBUTE TO THE "LUCKY LOU"

HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. PICKLE. Mr. Speaker, I am sure that my colleagues recognize that today is the anniversary of one of the most tragic events in the history of our Nation.

We are all familiar with the events that took place at Pearl Harbor on that Sunday morning 36 years ago, but I would like to bring to the attention of my colleagues one story that began on December 7, 1941, that has continued through today.

The cruiser U.S.S. *St. Louis* was one of about 100 American ships anchored in Pearl Harbor that day and it was the only major American warship that was able to get underway and reach open sea.

The ship became known as the "Lucky Lou" and the luck held throughout the war. After a distinguished battle career, the Navy called the *St. Louis* "the ship that couldn't be sunk."

I had the honor of serving on the *St. Louis* from October 1942, through September of 1944. I was a member of the 5th Division, antiaircraft battery and an assistant officer of the deck. During the time I was on board, we were torpedoed in the Battle of Kula Gulf on July 3, 1943. I must admit that at that moment we did not feel that the "Lucky Lou" was very lucky but we were able to return to harbor for repairs. Our spirits were good. And the spirit and dedication of officers and men over the years have remained good and steadfast. To a man, we all have been proud to serve on the U.S.S. *St. Louis*.

In 1951, the ship was sold to the Brazilian navy and after 25 years of service there it was decommissioned and scheduled for the scrap heap. A group of former shipmates of the *St. Louis*, headed by A. L. Seton, formed the U.S.S. *St. Louis* Association to try to save the ship from being scrapped and to bring it back to the United States to be preserved as a museum.

While the association has worked hard in this preservation effort, it now appears that most of the ship has already been dismantled and only the hull of the ship remains.

It is a sad ending for this valiant ship that played a major role in our victory in World War II, but it appears that the obstacles of lack of time and money could not be overcome.

Even though it could not be saved as a memorial, I think we should at least give tribute to this ship and the spirit that it represented as it steamed out of the holocous of Pearl Harbor 36 years ago today. That valiant action represented our determination to survive and it gave us some reason for hope on that dark day.

I hope that my colleagues in the House will join me in saluting the men who served aboard this ship and their efforts to establish an appropriate memorial for the "Lucky Lou."

Mr. Speaker, the following article from the Associated Press which was written in August provides a good summary of the efforts to save the U.S.S. *St. Louis* from the scrap heap:

NOSTALGIC EX-CREW TRIES TO SAVE FAMED CRUISER

WASHINGTON.—Some sentimental ex-crew members have succeeded in saving their old ship, the U.S.S. St. Louis, from a scrap heap in Brazil—at least temporarily.

Their eventual goal is to restore the "Lucky Lou" and maintain it as a museum.

The St. Louis, a cruiser, won its initial fame and began earning its nickname on the morning of Dec. 7, 1941, when it was berthed at Pearl Harbor for maintenance and repairs.

As Japanese planes and submarines began destroying the American fleet in a sneak attack, the St. Louis crew managed to get its ship underway. It steamed out of the harbor and reached the open sea, the only major U.S. warship to do so that morning.

The ship's crew later claimed six Japanese planes and was officially credited with three during the attack.

By the end of the war, the St. Louis had survived torpedo attacks and kamikaze pilots. It fired more rounds than any other Navy ship and sank one submarine, two cruisers, five destroyers and 14 planes.

But in 1951, the United States sold it to Brazil, where it was renamed the Almirante Tamendare, after the founder of the Brazilian navy. In 1975, Brazil retired the ship, cannibalized its working parts and prepared to sell the hulk for scrap.

That was when retired Cmdr. Al Seton of Staten Island, N.Y., found out what was going on. Seton, who was on the St. Louis at Pearl Harbor, began contacting other ex-crew members. He talked to representatives of the Brazilian government.

Another ex-crew member, Rep. J. J. Pickle, D-Tex., wrote to Brazilian Ambassador Joao Baptista Pinheiro, asking him to intercede to help save the St. Louis.

This week, a Brazilian government spokesman said that the plans to scrap the St. Louis have been abandoned for now. The spokesman said that Brazil is aware of the interest in saving the ship and has no present plans to dispose of it.

"That's great news," said Seton. "Now we have to raise some money." But he said fundraising could not begin until Brazil gives some indication it is willing to sell the ship to its would-be rescuers.

The money required will be substantial, Seton said. The hulk is probably worth about a million dollars. Simply painting it would cost more than a million. Add towing charges and the cost of some basic restoration, and the amount needed approaches $5 million, Seton said.

Seton said he is exploring the possibility of joining with former Almirante Tamendare crew members in a joint project by both countries.

Another problem is finding a site and sponsor for the ship. States like Massachusetts and North Carolina have given berths to the battleships that bore their names, but Seton said the city of St. Louis has expressed little interest in becoming the permanent home of the "Lucky Lou."

STATUS OF PINEY WOODS COUNTRY LIFE SCHOOL

Hon. G. V. (SONNY) MONTGOMERY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. MONTGOMERY. Mr. Speaker, I recently received the following article on Piney Woods School from Mrs. Nellie E. Bass of Jackson, Miss., who is president of the Laurence C. Jones Student Aid Foundation. Mr. Jones was the founder and guiding light of the Piney Woods School for many, many years. Because of the importance of Piney Woods School to Mississippi, I would like to share the newspaper article with my colleagues.

[From the Simpson County (Mendenhall, Miss.) News, Nov. 3, 1977]

PINEY WOODS CHANGES CALLED "KILLING OF A DREAM"

"The old order changes" and "a new broom sweeps clean" is the policy of the president and chief executive officer, James S. Wade, and the board of trustees of Piney Woods Country Life School, Piney Woods, Miss.

Dr. Laurence Jones, founder and long-time president of Piney Woods School, had acquired a loyal, hard-working, self sacrificing group of people, affectionately called "The Piney Woods Family". He tried to make justifiable provision for their residence at the school as long as they wished to stay and could render some useful service to the school after his death. He did not leave a formal will, but to many he gave a tenure statement which read: "_____, faithful employee more than 10 years, upon the recommendation of Laurence Jones, founder and president, in whose judgment we have full confidence, is hereby elected to membership in the Piney Woods faculty and is to be retained in that capacity until charges of mis-conduct are brought against him in writing before the board of trustees in open meeting by president and secretary of board of trustees, with accused one having opportunity of hearing by the board with the accused one present. At that hearing the board shall either sustain or dismiss the charges. Until one of the above contingencies has happened, the person above named shall have full security of tenure." Signed, Everett Reese, chairman of the board, and Vaughn Watkins, secretary, Laurence Jones, president.

No holders of such tenure agreements were ever given a hearing by the board. Mr. Wade, in a bulletin to Dr. Jones, soon after he took office, stated that he was in complete authority of all affairs of the school, and "it would do no good for anyone to make complaints to you about me."

The mortal remains of Laurence Jones had scarcely had time to adjust to their new surroundings under the cedar tree, when the rumblings of disharmony indicated that his passing signaled the eviction of the Piney Woods family.

Mrs. Nellie Bass, sister of Dr. Jones, had occupied a small home on the campus which she had remodeled and repaired at her expense, with the intention to remain there at her pleasure because of a request of Dr. Jones on March 13, 1961, to Mr. Reese, chairman of the board which stated: "My family-that is my late wife and my sister Mrs. Nellie Jones Bass-gave many years of their time to the development of Piney Woods School without practically any salary. . . . She should be allowed to use the house and grounds she is now occupying as long as she lives. All the furniture in this house belongs to her and her estate-excluding the plumbing." In

March of 1976, Mr. Jack Halen, buildings and grounds supervisor, notified her that she should vacate the house by May 1, 1977. She challenged his order with the above letter, saying also, if she must vacate, then Mr. John Halen, Sr. should also vacate his home, since she was included in the same letter which gave him residency rights for life. She received a negative reply, and after several harassments, she left the campus and moved to Jackson.

Mrs. Eula Kelly Moman, now in her seventies, had lived with the Jones family since she was nine years old, and expected to stay in her small apartment in the Community House where Dr. Jones and family had lived. She had been school treasurer, dean of women, hostess at the community house and chief guide and receptionist to guests at Piney Woods School. She felt capable and desired to retain her apartment and fill the latter position as guide and receptionist—public relationist. She, too, received warnings and harassment, and in spring of 1977 was served an eviction notice by the deputy sheriff of Rankin County. She challenged the case in view of her tenure statement, and a hearing was held in chancery court in Brandon on August 4 & 5, 1977. She lost the case and departed from the campus in September, 1977.

Several other long-time staff members held similar residence tenure statements and none were granted a hearing before the board of trustees.

Mr. and Mrs. Paul Fosness, long-time friends of Dr. Jones and supporters of the school, came to Piney Woods School, June 1, 1970, after they had retired from previous employment—Mrs. Fosness, as teacher, and Mr. Fosness, in industry. They were volunteers, paid their personal and household expenses, furnished their home, received free housing and meals in the dining hall. They received no "token pay." A verbal agreement with Dr Jones provided that they make expenditures to remodel a facility as a little theater in return for a permanent residence on the campus. In addition to the thousands of dollars they invested, their friends in Central Iowa matched their investment to provide the beautiful, useful facility. Mr. Fosness died of long-term cancer in April, 1975. Dr. Jones then repeated that Mrs. Fosness should continue her residence there as long as she wished, in return for the previous investment. Soon after the death of Dr. Jones in July, 1975, Mrs. Fosness received notice from the president and chief executive officer, Mr. Wade, that her volunteer services were not needed, and she must vacate the house by September 1, 1975. She complied with the request without objection, but appealed to the board of trustees for some return on her investment since her right to residence had been terminated. At this writing, two years later, she has received no reply to her request.

In a recent interview on television, Mr. Wade was asked why these people had been denied residency on the campus and had been requested to retire, and his reply was two-fold: it was the decision of the board and the administration, and the school could not receive accreditation with unqualified personnel. This statement is not valid in most cases, and in the case of Mrs. Fosness is untrue, for she holds two valid teacher's certificates to teach in Mississippi issued by the Mississippi State Department of Education.

Mrs. Nellie Bass, sister of Dr. Jones, in personal comment said: "The tactics and present policy of Piney Woods School, might be called 'the killing of a dream'. It is almost unbelievable that a man who spent his life helping people had to leave Piney Woods School in the hands of people with no compassion or consideration for the people who worked closely with him for many years.

Piney Woods School is more able now to give help to children than it was in the early days when no one was turned away and everyone was given a home. In 1917, there were more work opportunities there for students than there are now. There was community involvement with farmers' conferences, mothers' club and community fairs. Piney Woods School was not founded to be a big, prestigious school, but a small school to meet the needs of the needy.

Dr. Laurence Jones preferred that his grandson, Laurence C. Jones, III, should be his successor. He has had valuable experience as an administrator, and knows the philosophy and needs of Piney Woods School. The chairman of the board of trustees refused to consider him. Dr. Jones was too old, and too sick to challenge this refusal, so he conceded to the choice of the board. He said he had done all he could, but he hoped the old Piney Woods Family of workers would carry on the traditions and activities of the school. Those wishes were negated when all the relatives and older staff members were banished from the school."

WORLD BANK SALARIES CAUSES ENVY AMONG CONTEMPORARIES

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. YOUNG of Florida. Mr. Speaker, for many months, I have taken issue with the high salaries and benefits which are paid to employees of the World Bank. While this institution is supposed to be active in economic and social development in the less developed countries, it's own employees are becoming a rather high living elite, especially when contrasted with those they are supposed to serve.

The employees of the World Bank are charged with the responsibility of providing assistance to the "poorest of the poor," yet the American taxpayer is helping to foot the bill for the "richest of the rich" of international bureaucrats. In this regard, the following Wall Street Journal article by Mr. Urban C. Lehner which appeared on November 28, 1977 does an excellent job of confirming my earlier reports to the House relative to the very generous benefits received by World Bank employees. Following is a reprint of the Wall Street Journal article and I hope my colleagues will take the time to read it.

SALARIES AND BENEFITS AT WORLD BANK ARE ENVY OF WASHINGTON—AT 8TH LEVEL, PAY GETS DOWN TO CONGRESSIONAL STIPEND; A COUNTRY CLUB FOR IMF

(By Urban C. Lehner)

WASHINGTON.—The World Bank is a 130-nation institution that from its headquarters here lends billions of dollars to underdeveloped countries, some of which are so poor that their people subsist on less than $100 a year.

The bank, whose biggest contributor is Uncle Sam, also is openhanded to its 2,200 professional employes here, several hundred of whom subsist on salaries of more than $50,000 a year. Indeed, the bountiful pay and perquisites of the World Bank and three similar organizations—the Asian Development Bank, the Interamerican Development Bank and the International Monetary Fund—are the envy of official Washington.

The agencies' staffers can dine on gourmet meals in graciously appointed dining rooms subsidized by the institutions so that employes pay as little as 75% of the cost of the food. For $42 a month and no initiation fee, high-level officers of the IMF and some of the other organizations swim and play tennis and golf at their own country club near Washington; lower-ranking employes pay less. And on overseas business trips, World Bank people last year made nearly 600 first-class flights on the Concorde supersonic jet even though Concorde fares are twice as costly as regular jet fares.

STRINGS MAY BE ADDED

This munificence, however, is evoking rising resentment in Congress, which is threatening to add cost-cutting strings to the more than $2 billion a year the U.S. is spending to help support the four international financing bodies. The personnel practices of the organizations, the Senate Appropriations Committee complains, "are suggestive of an institutionalized granting of lifetime sinecures where extraordinarily high salaries are commonplace and the pursuit of fringe benefits has been raised to an art form."

The Carter administration shares Congress's resentment. Treasury Secretary Michael Blumenthal, told that high salaries are needed to induce foreign employes of the organizations to come here to work, snapped sarcastically that "Washington is *not* a hardship." (The Treasury is in charge of obtaining appropriations for the organizations from Congress.)

All this criticism has the institutions' employees feeling much maligned and misunderstood. One World Bank man, trying to illustrate the frustration employes feel, tells of treating a Treasury Department official to lunch in the bank's dining room. "The guy didn't know a thing about any of our development projects, but he knew the exact amount of the dining room's subsidy," the bank man complains.

The organizations contend they are being unfairly compaired to U.S. government agencies when in fact they are international financial institutions controlled by many nations, not just the U.S. and they insist their pay and perks must be competitive with private business's to attract top executives.

CHARACTERIZING A NEIGHBORHOOD

There isn't any question that the institutions' emoluments are generous. In the Washington real-estate market "A lot of World Bank people live here" is a catch phrase for a well-to-do-neighborhood.

Robert McNamara, the World Bank's president and a former U.S. Secretary of Defense, grosses $115,000 a year, or almost double the $66,000 annual salary of Cabinet members. His pay also is well above the $75,000 salary of Vice President Mondale. Among U.S. government officials, only President Carter, at $200,000 a year, makes more than Mr. McNamara.

But what particularly rankles many Senators and Representatives is that at least 350 World Bank employes make more than the $57,500 annual pay of members of Congress. In fact, it isn't until the eighth level down on the bank's pay scales that salaries fall below $57,500, to a minimum of $56,310 if the employe is a U.S. citizen. A foreign employe on that level earns at least $35,220, but that's tax-free; U.S. citizens are paid more so that their after-tax salaries will equal the foreigners'.

On a "taxable equivalent" basis, the average World Bank salary is $43,000 a year. The pay is comparable at the other three international financing organizations here.

Equally generous are the perquisites. In addition to cut-rate meals and country-club fees, education allowances of up to $2,500 a child supplement salaries at many of the institutions. When a World Bank employe wants to buy a home, he may be able to borrow the down payment at an 8.5% interest rate. Every two years, foreign employes get air fares back to their native lands for "home leave."

On business, World Bank staffers fly first class, often taking the Concorde, for longer trips, such as those to Asia, Africa, or southern Latin America—even though their boss, Mr. McNamara, makes a point of flying tourist. The difference between first-class and tourist-rate travel last year added $1.8 million to the bank's air-travel bill, which totaled $12 million.

The institutions argue that their perquisites are comparable to those businesses and governments give employes assigned to work thousands of miles from home. "Washington isn't New Delhi," one staffer concedes. "But if you're from New Delhi, it (Washington) isn't necessarily where you want to be, especially if your wife's visa doesn't allow her to work and you're traveling to projects for weeks at a time." (About 75% of the banks' professional employes are from foreign countries.)

Nor do the employes consider themselves overpaid. "We manage $40 billion of high-risk projects, from building hydroelectric dams to expanding village agriculture in Upper Volta, and we make a profit" says a World Bank official. "To do that, we have to recruit successful people at the prime of their careers in competition with private enterprises."

Such arguments fail to impress critics. Citing what it called the "unparalleled pay and allowances" of "those whose primary mission is to assist the poor and needy of the world," Congress recently decreed a maximum $50,000 salary for each of the three U.S. officials who cast America's votes at the World Bank, the Asian Development Bank and the Inter-American Development Bank. For Edward Fried, the "U.S. executive director" of the World Bank, that means nearly a $34,000 pay cut from $83,830 a year. (The banks are free to pay the three men more, but if they did so, they would forfeit this year's U.S. contribution.)

Sen. Daniel Inouye, who chairs the subcommittee that writes the institutions' U.S. appropriations, calls the Fried pay cut a "message" to the organizations to reduce their employes' salaries to U.S. civil-service levels. "If this is not forthcoming, the Congress can attach strings to the U.S.'s contributions," the Hawaii Democrat warns.

The World Bank and the IMF staff associations have begun a study of the issue. In addition, the five leading subscribers to the World Bank—the U.S., West Germany, England, Japan and France—have quietly asked two private consulting firms to do another study.

But how the various officials stand on the issues seems to depend on where they sit. To one World Bank official, "the issue is, Do you want to turn this place into another civil-service bureaucracy by limiting salaries to U.S. civil-service levels?" To one Treasury official, however, the issue is "How much of a premium do you need to pay to motivate these people?"

PERSONAL EXPLANATION

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. MAZZOLI. Mr. Speaker, responsibilities in my district prevented my being present Thursday, December 1, 1977, for rollcall No. 759. Had I been present I would have voted "yea."

MAYOR ABRAHAM D. BEAME OF NEW YORK

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. MURPHY of New York. Mr. Speaker, leadership is not an easy quality to define, nor is the job of leading the largest city in this great Nation. Yet Abe Beame has most impressively demonstrated that quality which has provided a strong foundation for the revitalization of the government of New York.

His has been an exceptional lifetime of public service, with his background particularly well suited for the difficult road that lay ahead. During the times of crisis, such as the riots sparked by the power blackout and in particular the masterful handling of the city's financial crisis, Mayor Beame brought a depth of understanding and guidance unequaled in our city's heritage.

Abraham David Beame took the oath of office as the city's 104th mayor on January 1, 1974, capping a unique 31-year career by becoming the highest officer in the Nation's largest city.

Born in London, England, on March 19, 1906, Beame was brought to New York City by his parents in that year. He grew up on the Lower East Side, attended the city's public schools, and received a B.A. cum laude from City College of New York in 1928.

After establishing his own accounting firm while in college, Beame became a certified public accountant in 1930 and continued in this profession until 1946 Beginning in 1929, he also taught accounting and commercial law in city high schools and at Rutgers University, and served as legislative representative for the joint committee of teachers organization.

Beame was appointed assistant budget director for New York City in 1946 and promoted to budget director in 1952. In these posts, he analyzed the wide variety of diverse municipal programs and evaluated their usefulness and efficiency. In 1948, he initiated a pioneering management improvement program, updating the city's antiquated procedures.

In 1962, Beame was elected comptroller of the City of New York and continued in this post until 1965, when he won the mayoral nomination of the Democratic party. Until his reelection as comptroller in 1969, Beame was a consultant in the area of finance, serving as a director of the finance committee of the American Bank and Trust Co.

During his terms as comptroller, Beame introduced a number of improvements in the handling of pension funds and municipal debt and issued a major report on upgrading the city's credit rating. He went beyond the traditional fiscal aspects of his office by initiating additional studies on narcotics control, hospital care, housing and day care centers. He spoke out for free tuition and open enrollment in the City University system and advocated positive steps to increase consumer representation in many areas of government which had traditionally been unresponsive to consumer input.

During his career, Beame has served on the Mayor's Committee on Management Survey and was a member of the New York State Commission on Constitutional Revision. In addition to an extensive array of organization and committee memberships, he was on the Board of the National Conference of Christians and Jews and served as trustee at large for the Federation of Jewish Philanthropies.

The mayor and his wife, the former Mary Ingerman, were married in 1928. They have two sons, Edmond and Bernard, and five grandchildren.

Service to his city was always first and foremost in Abe Beame's public life. He has served admirably, and the people of New York owe him a debt of gratitude which will be hard to repay.

PRESIDENTIAL CHRISTMAS TREE IS FROM WASHINGTON'S THIRD CONGRESSIONAL DISTRICT

HON. DON BONKER

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. BONKER. Mr. Speaker, I am proud to announce that a 21-foot noble fir from Washington State's west slope of the Cascades has been selected as President Carter's first White House Christmas tree. The Pacific silver fir was donated by Weyerhaeuser from its property on snowy Mount St. Helens near Spirit Lake, which is located approximately 100 miles southeast of Olympia. The tree was selected and shipped by the J. Hofert Co., which also donated the White House Christmas tree in 1972. The tree was trucked across the country in a refrigerated trailer by Ed Humbert, accompanied by his wife and daughter, and was delivered to the White House today. The fir is being erected in the Blue Room where it will be on display for visitors.

It is appropriate that the tree is from western Washington, for the west slope of the Cascades contains some of the most productive and beautiful timberlands in the world. The abundant precipitation, proper soils and other factors combine to provide an ideal environment for fir, hemlock, spruce, and other valuable species. These west slope forests are one of our most precious renewable resources. In addition to their material value, these forests provide protected watershed, balanced ecosystems, wilderness, and recreational opportunities, and many other benefits. So when we see the traditional Christmas fir, I hope that we would remember the importance of this resource in our daily lives.

Let us also not forget the special significance of the tree, apart from its com-

mon uses. Although greenery—especially from oaks—was a part of pagan customs over a thousand years ago, it was Saint Boniface, in the eighth century, that dedicated the fir to the Holy Child, and began its association with Christmas. The evergreen has become a symbol of vigor, life, and survival. As the Nation's "first tree," may it be a symbol of our own renewal and life, and serve as a reminder of the importance of our spiritual resource.

JAMES JAY GARMAN

HON. ALBERT GORE, JR.

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. GORE. Mr. Speaker, I want to call my colleagues' attention to a tragedy which has occurred recently in the district I represent in this House which demonstrates a need for a change in current law.

Early last month, James Jay Garman, the commander of the ROTC Rangers at Tennessee Technological University in Cookeville, was killed during a training exercise. Mr. Garman was instructing other cadets in important military skills when he accidentally fell and was swept over a waterfall. This young man was a credit to his family, to his community, and to this country's military service. As one of his professors commented after Jay's death, "He represented the highest standards of professionalism and integrity and scholarship."

The shock of this tragedy is only compounded by the fact that, under existing law, Jay's widow will apparently not be eligible to receive benefits normally paid to widows of U.S. servicemen killed in the line of duty. Jay's death occurred in the service of his country, as much so as the death of any serviceman killed during peacetime. But inquiries by members of his family and my own inquiries have indicated that Jay's widow will receive only the benefits of his group life insurance policy, not the dependency indemnity compensation ordinarily paid to widows of servicemen. I believe this is an unfortunate oversight in the law and demonstrates the need for legislative changes to correct it.

I wish to insert here copies of the newspaper articles published following Jay's death last month. I hope that my colleagues will consider these articles as a memorial to Jay and to the tradition of patriotic service to his country which he and his family believed in so much.

[From The Oracle (Tennessee Technological University), Nov. 11, 1977]

ARLINGTON FUNERAL HELD

(By Tracy McMahan)

James Jay Garman, a 21-year-old senior physical education major and commander of the ROTC Rangers, was swept to his death over the 100-foot Fancher's Falls in White County during an ROTC training exercise on Saturday, Nov. 5 about 10:30 a.m.

Garman, who was buried yesterday in Arlington National Cemetery with full military honors, was the son of Col. and Mrs. Fred Garman of Cookeville.

Garman and nine Rangers, building a rope bridge and practicing rappeling during a training session lead by Garman at the falls, were familiar with the wilderness area in White County where previous training sessions had been held.

Walking down a ledge above the falls to secure a rope, he lost his footing, and the rapid waters carried him to his death. His body was recovered about 12:45 a.m. at the bottom of the falls from the waters of Center Hill Lake.

Lt. Col. Jon Eiche, professor of Military Science at TTU said, that Garman was working about 12 feet from the falls on a rope bridge located above the falls. He had built bridges similar to this several times before and had already been up and down the slope three or four times; therefore, he used no safety hookups.

On the east bank the rope got tangled in branches; as he went down the slope to free the rope he lost his footing about five feet above the water.

The Rangers on the opposite bank watched helplessly as the strong current forced their commander over the 100-foot falls and held him underwater at the base of the falls. The water was moving rapidly because of recent rain.

Garman screamed twice, but, according to White County Deputy Melvin Werley, there was no way he could escape the falls. "The water there is very rapid because it has been traveling over a stair-step of smaller falls by the time it reaches the large one," Deputy Wherley said.

Another group of ROTC students were in training five miles away at Tech Aqua under the supervision of Major Yates, deputy professor of Military Science, and Captain Stempel, assistant professor of Military Science. The other students did not join in the search, but Cpt. Stemple came to the falls and took the other nine Rangers away from the scene of the accident.

Cpt. Stempel said the nine Rangers conducted themselves in the best manner possible. After searching about two hours, a rescue squad boat using dragging equipment found Garman's body at the base of the falls.

According to other Rangers who have trained in the area before, the water at the bottom of the falls varies in depth from around 18 inches to 20 feet, and Garman was probably held by an undertow in deeper areas of the water.

Garman, a graduate of James Robinson High School in Fairfax County Virginia, has always been an active participant in school activities. In high school he was president of the student government, captain of the track team, and a member of "Who's Who In American High Schools."

Entering TTU in 1974 as a physical education major, he got involved in many aspects of campus life. During the past three years, he was a member of the track team, a president of the P.E. Club, and a resident adviser for two years in Maddux-McCord in 1975–76, and in Cooper-Dunn in 1976–77.

He served as head resident of Warf and Ellington Halls this year. Also, he took photos at home football games and on campus for the University Photo Services.

He had a three-year ROTC scholarship that he received after his first year as a ROTC cadet. He received the Distinguished Military Graduate award and several other awards.

He graduated from the U.S. Army Airborne School and the U.S. Army Ranger Training Fort Benning, Ga. His training record was so outstanding that he was allowed to wear the Ranger Tab earned rarely by U.S. Army officers in active duty.

Garman leaves behind his wife of two months, Jerrie Jennings Garman, a senior journalism major, and former ORACLE managing editor and former photographer for the Hearld-Citizen; his parents, Col. and Mrs. Garman, 125 Scenic Lane; four brothers, Frederick Garman of Falls Church, Va.; Joseph and Thomas Garman of Cookeville; William Garman, a TTU sophomore; and one sister, Teresa Jane Garman, a TTU freshman.

Memorial services were held at Hooper & Huddleston Funeral home on Tuesday with Rev. Dan Haskins officiating. Rev. Haskins, who is the BSU advisor at Tech, also, officiated at the graveside services at Arlington National Cemetery.

FRIENDS COMMENT

I would not do justice to Jay Garman, who died Saturday during an ROTC training exercise at Fancher's Falls, to paint him as a one-dimensional person. Rather, he was a multi-dimensional person who would not fit a typical stereotype of an army career man.

Jay displayed various interests and a multitude of talents. Lt. Col. Jon Eiche, professor of Military Science, said, "He demonstrated leadership qualities in every facet of life." According to Jay's friends and superiors a major part of his life could be summed up in three words: challenges, competition, and care.

The outdoors and the military presented many challenges for him. He graduated from the U.S. Army Airborne School and was one of few Tech ROTC students to complete the U.S. Army Ranger Training Program at Fort Benning, Ga.

The Ranger program is one of the most rigorous offered by the ROTC program. His superiors were hesistant to let him go into the Ranger training, his friends said, but he met the challenge and returned with the coveted Ranger Tab.

Captain Stempel, a professor of Military Science and advisor of the Orienteering Club, said, "Jay thrived on challenges." He set his goals high and although some of them were unfulfilled, he always tried to do his best and learn from his experiences according to Stempel.

Charles Fletcher another ROTC student, recalled that Jay said, "It isn't adventure if everybody does it."

He was a member of the Orienteering Club and often helped president Jeff Macintire organize activities. In 1976 he placed sixth out of 80 contestants in the Vanderbilt Orienteering Contest helping his team take first place.

Cpt. Stempel said that he played a regulation role in Jay's life often telling him "no" when he wanted to engage in risky out door training.

However, he not only enjoyed the challenge the outdoors offered; nature also offered him chances to laugh and love. Steve Swann, a friend of Jay's, told of one 45-mile hiking trip in the Smokeys last summer on which Jay and his friends relaxed and laughed together.

The Reverend Dan Haskins, Tech BSU director and friend of the Garman family, said, "Jay was raised in an extremely warm family situation, and high moral values were instilled in him."

Jay participated in athletic competition. He ran cross-country track and played tailback for the football team at James Robinson High School in Fairfax County, Virginia.

He was a member of the TTU track team and broke one relay record. All of his friends said he liked to keep in top-notch physical shape. MacIntire said, "His most unfavorite type people were lazy people who didn't try."

He did not neglect academic competion. He recieved a three year ROTC scholarship during his first year as a cadet in ROTC and had a QPA of around 3.6 He was president of the Student Government in high school and was listed in Who's Who In American High School Students.

Lastly, Garman showed he cared. He took pictures for the University Photographic Service. His interest in photography was

promoted by his wife of two months Jerrie Jennings Garman, who is a senior journalism major, former editor of the ORACLE, and former photographer for the Herald-Citizen. Don Reese, head of University Photographic Service said that Jerie and Jay enjoyed taking pictures at the football games and experimenting with dark room techniques.

Jerrie often joined Jay and his friends in their adventures. MacIntire said Jay met Jerrie in a PE class about 2-3 years ago.

Serving as a resident advisor for two years in Maddux-McCord in 1975-76 and in Cooper-Dunn Hall in 1976-77 and as a head resident in Warf-Ellington Halls, he came in contact with many students and their problems.

Mrs. Fox who helps select the Head residents said that Jerrie helped Jay in dorm activities and, "both their lives blended together in everything they did."

Jay cared about his residents and their problems, residents said. One resident in Jay's dorm said, "He always had time to talk to me about anything on my mind."

This spring Jay was to be commissioned in the army, fulfilling one of his goals. Swan said he often said that he wanted to be the best second lieutenant the army ever had.

Garman's fellow ROTC students served in a memoral service for him at Hooper & Huddleston Funeral Home last Tuesday. He was buried Thursday in Arlington National Cemetery with full military honors.

Many described him as someone whose unchanging confidence and limitless enthusiasm engulfed them. While he was here he touched many lives not by his services or achievements, but by "living life to its fullest—just being Jay."

[From The Cookeville (Tenn.) Herald-Citizen, Nov. 7, 1977]

COOKEVILLE MAN SWEPT TO DEATH OVER FALLS

(By Bronwyn Turner)

James Jay Garman, of Cookeville, 21-year-old commander of the ROTC Rangers at Tennessee Tech, was killed Saturday during a training exercise when swept over the 100-ft. Fancher's Falls in nearby White County.

Young Garman, a distinguished ROTC student who had looked forward to a promising military career, was the son of Col. and Mrs. Fred Garman of Cookeville. He died in the plunge over the towering waterfall about 10:30 a.m. Saturday and his body was recovered from the waters of Center Hill Lake at the foot of the falls about two hours later.

Memorial services will be held here at Hooper & Huddleston Funeral Home at 10 a.m. Tuesday, and he will be buried Thursday in Arlington National Cemetery with full military honors.

Garman was in charge of the group of nine Rangers practicing rappelling and building rope bridges in the area above the falls and was securing a rope on one bank when he lost his footing and was carried to his death in the rapid waters.

Rangers located on the opposite bank were helpless to save him as the TTU senior was forced by strong currents over the falls, White County authorities said today. Garman's body was found two hours later at the base of the falls, apparently held underwater by the current.

News of Garman's death brought shock to ROTC students and staff at the university. "He was the guiding light of our program. He representsd the highest standards of professionalism and integrity and scholarship," Lt. Col. Jon Eiche, professor of Military Science at TTU said this morning.

Garman was well-trained and an outstanding soldier, Col. Eiche said, and the accident Saturday was apparently the result of the student's loss of footing on the bank.

Garman was working on a rope bridge located some 15-20 feet above a shallow stream about 12 feet from the falls. Rope on the east bank had become tangled in branches, and Garman was on the slope freeing the line when he lost his foothold and fell. The other Rangers participating in the exercise were on the opposite bank and could not reach him, Eiche said.

The Ranger fell about 15 feet to the water below, White County Deputy Melvin Wherley said today. He shouted for help twice as the strong currents forced him over the falls.

"The water there is very rapid because it has been traveling over a stair-step of smaller falls by the time it reaches the large one," Deputy Wherley said.

"There was no chance of him swimming out and escaping the falls," he said.

Some 15 other ROTC students training in the area joined with the remaining Rangers and White County Rescue Squad in searching for Garman, Col. Eiche said. The Rangers used ropes to reach the bottom of the falls as soon as possible after Garman fell, he said, but could not find him.

A rescue squad boat, fighting the strong turbulence beneath the falls, located the body using dragging equipment about 12:45 p.m. Saturday.

Garman will be buried in military uniform, Col. Eiche said today, and a uniformed honor guard will be pallbearers at the funeral scheduled here for 10 a.m. Tuesday. A gun salute and the playing of taps will be part of the ceremony honoring Garman, he said.

The student was the head resident of Warf Hall at Tennessee Tech and was on a three-year ROTC scholarship at the school.

"I think it's safe to say that Jay lived life to the fullest and he died doing what he enjoyed most," Col. Eiche said. "He was a sterling young man."

Garman is survived by his wife of two months, Jerrie Jennings Garman, a senior journalism major at the university and a former Herald-Citizen photographer, his parents, Col. and Mrs. Garman, 125 Scenic Lane; four brothers, Frederick Garman of Falls Church, Va.; William, Joseph and Thomas Garman of Cookeville; and one sister, Teresa Jane Garman, of Cookeville.

Garman graduated from James Robinson High School in Fairfax County, Virginia, in 1974. He was president of the Student Government, captain of the track team, a member of the cross-country track team and gained listing in "Who's Who In American High Schools."

He entered Tennessee Tech in the fall of 1974, a physical education major. During the past three years he was active in all phases of campus life. He was a member of the track team, a past president of the P.E. Club and for two years served as a dormitory resident advisor, during 1975-76 in Maddux-McCord and 1976-77 in Cooper-Dunn Hall. This academic year, Garman was selected as head resident for Warf and Ellington Halls. He assisted the University Photo Services by taking photos on campus and particularly at home football games.

As an ROTC cadet, his achievements were many. At the end of his first cadet year, he was awarded a three-year ROTC scholarship. Since that time, he received numerous awards and medals, including the Distinguished Military Graduate award. He served in most leadership positions and graduated from the US Army Airborne School and the US Army Ranger Training Program at Fort Benning, Ga.

As a result of his outstanding training record as a ranger cadet, he was authorized to wear the coveted Ranger Tab which is earned by few active duty US Army officers.

Tuesday services here will be at the chapel of Hooper & Huddleston. The body will lie in state at the funeral home today from 1-9 p.m.

The services at Arlington Cemetery will be at 1 p.m. Thursday.

[From the Cookeville (Tenn.) Dispatch, Nov. 7, 1977]

JAY GARMAN, TECH RANGER DIES IN MISHAP

ROTC Cadet James Jay Garman, 125 Scenic Lane, Cookeville, died on November 5, 1977 while participating in a U.S. Army ROTC Ranger field problem at Fanchers Falls in White County.

Cadet Garman, who was 21 years old, was graduated from James Robinson High School in Fairfax County, Virginia, in 1974. He was the President of the Student Government, Captain of the track team, a member of the cross country track team and gained listing in Who's Who In American High Schools. Cadet Garman entered Tennessee Technological University in the fall of 1974 and selected physical education as a major. During the past three years he was extremely active in all phases of campus life. He was a member of the track team, a past President of the P. E. Club, for two years served as a resident advisor; during 1975-76 in Maddux-McCord and 1976-77 in Cooper-Dunn Hall. This academic year Cadet Garman was selected as Head Resident for Warf and Ellington Halls. He assisted the University Photo Services by taking photos on Campus and particularly at Eagle home football games.

Garman, leading a party of 10 Rangers in tactical exercises at the falls, where they often trained, apparently lost his footing while working on a rope bridge about 10 yards above the falls. He slipped into the stream and was swept over the falls, plummeting some 200 feet to his death.

The White County Rescue Squad recovered the body at the base of the falls where it falls into Center Hill Lake and transported it by boat to the Johnson's Chapel Boat Dock. He was dead on arrival at White County Hospital.

"He was a model student, model soldier, model athlete," said Lt. Col. Eiche. "He was no doubt one of the best, if not the best officer to come out of this university, or any university," the officer said.

As an R.O.T.C. cadet Jay's achievements are long listed. He enrolled in the R.O.T.C. program as a freshman. His first training exercise was during the pre-1974 fall term, prior to the start of the academic year. Cadet Garman, through correspondence found out about a Ranger Club and joined early so that he could receive pre-training for his future cadet days. At the end of his first cadet year he earned and was awarded a three year R.O.T.C. scholarship. Since that time he has received numerous R.O.T.C. awards and medals including the distinguished military graduate award. Additionally he served in most leadership positions, was graduated from the U.S. Army Airborne School and the U.S. Army Ranger Training Program at Fort Benning, Ga. As a result of his outstanding training record as a ranger cadet, Jay was authorized to wear the coveted Ranger Tab which is earned by few active duty U.S. Army officers. This academic year Cadet Garman was serving as the commander of the Tenn. Tech. R.O.T.C. Rangers.

Orienteering was high on the list of the many loves enjoyed by Cadet Garman. His capabilities in this cross country navigational sport were well known because he was a frequent winner. During the past two years he applied his abilities in orienteering to organizing meets, setting up courses and training students in techniques of the sport.

Cadet Garman was married to Jerrie Jennings of Woodbury, Tenn. at Hidden Hollow on Sept. 1. Jerrie is a senior at Tenn. Tech majoring in Journalism. She was the managing editor for the Oracle, the campus newspaper during academic year 1976-1977. Jay's parents are Colonel and Mrs. Fred Garman of Cookeville and his brothers are Rick of Fairfax, Va.; Bill, Joe and Tag of Cookeville and a sister Terry of Cookeville.

Although only 21 years old, Cadet Garman

has accomplished many praiseworthy objectives. He was advisor to many new university students, a leader in the ROTC Program a 3.6 academic grade point student finishing his senior year, and a loving and devoted husband, son and brother. His truly christian way of living each day is a tragic loss to his family and friends, this community and to those he would have served.

Funeral services for Cadet Garman were held at 10 a.m. on Tuesday, October 8, 1977 at the Hooper and Huddleston Funeral Home. Burial was at the Arlington National Cemetery, Arlington, Va. Donations to the James Jay Garman Memorial Orienteering Fund, c-o American Bank and Trust are appropriate.

NEW PROTECTION FOR AMERICA'S FISH AND WILDLIFE HERITAGE

HON. ROBERT L. LEGGETT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. LEGGETT. Mr. Speaker, along with my colleague, ED FORSYTHE, and other members of my Subcommittee on Fisheries and Wildlife Conservation and the Environment, I have today introduced a bill to assist States in improving and invigorating their nongame fish and wildlife programs. This bill refines and strengthens the provisions found in H.R. 8606 which also would assist State nongame programs.

The basic purpose of this new bill is to benefit those species of fish and wildlife which are not taken for sport or food. These so-called nongame species have received little direct benefit from State fish and wildlife programs up to now, although they are enjoyed by increasing numbers of bird-watchers, students, photographers, and nature lovers. The available habitat for these nongame species has decreased at the same time the public is demanding increased opportunities to enjoy nongame wildlife experiences.

Wildlife experts and conservation organizations have urged the Subcommittee on Fisheries and Wildlife Conservation and the Environment to give greater attention to the needs of nongame species. Their requests have been supported by ecologists and scientists who recognize that protection of our fish and wildlife heritage requires scientific management of both game and nongame species and the ecosystems in which they live.

My subcommittee held hearings on H.R. 8606 in September. Those conservationists and wildlife biologists who testified agreed that there was a need for a comprehensive approach to fish and wildlife planning and management. They pointed out that each species, regardless of its desirability as a hunting trophy, is an integral part of the natural environment. The bill introduced today was drafted in response to this testimony. It would assist the States in preparing statewide fish and wildlife plans which would cover all vertebrate species of fish and wildlife. These long-term plans will help assure that State management will not develop into a piecemeal system with each category of fish and wildlife being awarded its separate share of attention.

The subcommittee also was told during its hearings that adequate revenue for State nongame fish and wildlife is critical. Many States have already introduced some form of nongame programing with funds being derived from general appropriations, sale of nongame stamps, and sales of personalized automobile license tags. Yet these revenues have not been adequate to the task. Voluntary citizen contributions have not been as productive as was hoped and nongame projects have proven unable to compete successfully for appropriations against other programs. The financial support of the Federal Government, the subcommittee learned, is essential to the success of State conservation programs. The matching fund program of H.R. 8606, therefore, was strengthened in the new bill. Its $100 million program should provide an effective incentive to generate local interest in and support for State wildlife conservation efforts on behalf of nongame species.

Several regional and local public bodies testified during the subcommittee hearings concerning their programs for nongame fish and wildlife. In the San Francisco Bay area of Alameda and Contra Costa Counties, for example, much of the responsibility for the conservation of nongame fish and wildlife is borne by the East Bay Regional Park District which administers over 46,000 acres of land. This land provides important habitat for nearly every fish and wildlife species found in the San Francisco Bay area from the smallest wren to the largest bird of prey. The East Bay Regional Park District, however, is not unique in its concern for nongame fish and wildlife. Other urban park agencies including those of Cleveland, Minneapolis, Chicago, and northern Virginia are equally involved. Public agencies such as these would have the opportunity to seek the support they need to continue their important work under the bill introduced today.

Mr. Speaker, this new nongame fish and wildlife bill would encourage each State to increase its efforts to benefit all species of fish and wildlife. Moneys available under this bill could be used to acquire and protect significant fish and wildlife populations and their habitat in their natural state for all of us to enjoy. I believe that all Americans benefit when we take steps, as this bill proposes, to assure the future of the fish and wildlife heritage of our country.

EXPLANATION

HON. TOM HARKIN

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. HARKIN. Mr. Speaker, due to an illness in my family, I was necessarily absent from the proceedings of the House yesterday, December 6. Had I been present, I would have voted as follows:

Rollcall vote number 761, "yea."
Rollcall vote number 762, "yea."
Rollcall vote number 763, "yea."
Rollcall vote number 764, "yea."
Rollcall vote number 765, "yea."

IMPACT OF FUEL AVAILABILITY AND OTHER TRENDS ON GENERAL AVIATION

HON. BARRY M. GOLDWATER, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. GOLDWATER. Mr. Speaker, unfortunately, the national energy debate often results in attempts to find energy scapegoats. One such scapegoat has been general aviation, which is one of the most efficient users of fuel. In addition, general aviation means jobs and is a positive factor in our balance of payments. One of aviation's leading spokesmen, John Winant, recently delivered a timely and thought-provoking speech on the fuel crisis and general aviation. I commend his address to Congress and the Nation:

IMPACT ON FUEL AVAILABILITY AND OTHER COST TRENDS ON GENERAL AVIATION

(By John H. Winant)

Five years ago, an appeal for creation of a "national energy policy" would likely have been greeted with reactions ranging from boredom to bewilderment. Today the subject occupies the center of the national stage, and is identified by our President as the most urgent of all domestic issues.

Those few fast-paced years since have pervasively focussed our attention on energy, with emphasis on its sufficiency and cost.

In terms of impact on general aviation—and perhaps in its broad implications to our entire society—we have gone through two stages of crisis, and are now, half a decade later, enmeshed in a third.

First came the trauma of drastically curtailed supply at aviation fuel pumps all over America. That stage witnessed an attempt by the Nixon Administration in late 1973 to cut general aviation's fuel supply by up to 40 percent—a move which, if enacted, could have sounded general aviation's death knell.

A Congress with vision broader than that of the Administration called off the funeral, and general aviation survived. Supply levels, after several agonizing months, returned to near-normal when the OPEC nations decided, on the most pragmatic of terms, that they simply could no longer withhold from the marketplace a product on whose sale their political and economic existence depended.

Enter then, in 1974 crisis state two: the regulatory phase, aimed at constructing an artificial marketplace in which supply, demand and price would not freely interact on one another. Three years later, we are still feeling the effects of this stage, largely because 11,000 persons have been placed on the Federal payroll and more than 7 billion dollars have been invested to insure that the artificial marketplace has been built on a rock foundation.

And now we are in phase three; the attempt to piece together a "national energy policy" which aims at conserving energy (a worthy goal), at reducing dependence on imported petroleum, and at maximizing energy sources of new or different kinds.

Two Administrations have addressed the energy policy challenge. Mr. Ford's proposals were badly managled on Capitol Hill, and the resulting Energy Policy and Conservation Act of 1976 emerged as a patchwork quilt rather than an exquisite tapestry.

And now (as of this writing) we see Mr. Carter and the Congress hard at it in October trying to fashion an energy strategy proposed in April. The Senate version differs dramatically from that of the House and there may be a classic battle in conference committee to reconcile the two versions.

The results, to date, appear to be more of a tax plan than an energy plan. There still exists wide divergence of view as to whether energy sources are running out—or whether there still are a good deal yet to be discovered, if producers will be given the incentive to explore for them.

Through other legislation, we now have a Department of Energy which will try to take all the pieces—those already existing and those which emerge in the National Energy Act—and put them together into a workable whole. We understand it will take 20,000 employees to do the job.

All of these events and developments have impacted on general aviation, and that relatively small community has, through determination and creativity, managed to cope with them rather handily. What appeared to be monumental problems have generally been turned into productive opportunities, and general aviation has prospered despite apparent constraints.

Looking ahead, general aviation will continue to strive for certain principles and actions, because we believe they are the key elements in maintaining sufficiency of energy supply.

First, we believe that a national energy policy should stress development of energy sources as well as conservation. Within our community, a strong conservation ethic has emerged in the past five years, and it will continue into the future.

But we believe that conservation alone does not guarantee long term sufficiency nor does it provide a basis on which to sustain a growing economy. American producers of energy must be given adequate incentive to aggressively explore for new sources of petroleum. We must accept the fact that the costs of energy will increase to that point—and that point only—at which willing purchasers will begin to leave the market place, and this may be the only truly effective conservation tool.

A second keypoint in general aviation's position is that allocation and price controls should be removed from aviation fuels at the earliest possible date.

By mid-November, FEA plans to remove motor gasoline from allocation and price controls. Naptha-based jet fuel controls were scrapped some time ago. Controls on diesel fuel and home heating oils have also been removed.

The cumulative effects are that, as other products are removed from controls, the incentive for refiners to producte additional jet fuel is diminished.

We have, then, an emerging situation in which the demand for other products is more important to supply levels of aviation fuels than any other current factor. Removal of controls on aviation fuels would remove that factor as a potential problem area.

A third keypoint of general aviation's position is that research should be intensified toward the goal of developing alternative fuel sources for use in aviation.

Fuel efficiency has been dramatically improved in general aviation in recent years. New design concepts and new aircraft engines are helping to accelerate the thrust already generated through fuel-efficient piloting techniques.

But we need to go further, and general aviation strongly supports a stepped-up program which would involve NASA, ERDA and the industry in research to probe fuel sources other than petroleum.

Dependency of aviation on petroleum is absolute today. We feel that alternatives, such as liquified hydrogen, hold promise for aircraft propulsion, as well as for other transportation vehicles, and that research should go forward, with concentration on solving the problems which are associated with shipment and storage of such cryogenic fuels.

Finally, there are several other structural factors involving demand, supply and refining which general aviation believes may have bearing on aviation fuel supplies in the near-term future. They require close monitoring by our community for at least the next five years.

Even though it competes with no-lead motor gasoline in the distilling spectrum, aviation gasoline is plentiful. But, as automotive model years go by in the future, the demand of no-lead will increase sharply.

In the refining process, jet fuel competes with diesel and home heating oils. We should monitor the market acceptance of diesel-powered automobiles, now being manufactured in the United States for the first time. The House-passed energy act calls for cash rebates to consumers of heating oils, which may translate into increased demand.

The U.S. Air Force continues to mull over whether it can economically manage a shift from naphtha-based JP-4 to kerosine-based JP-8 fuel. Twenty-four percent of jet fuel is consumed by the military, six times that in general aviation.

The sum and substance of what I have said today may leave the impression that general aviation is depressed by uncertainties and complexities which have existed for half a decade with respect to energy. Such an impression would not be correct.

General aviation has an aggressive and forward-looking position predicated on the healthy belief that we can cut through complexity and dispel uncertainty. In summary, then, here is how we see the situation in broad terms:

There is today a sufficiency of supply for all types of aviation fuel. We believe that refiners will meet the challenge of maintaining sufficiency in the future if the Federal government will let them get on with the job.

The price of fuel has not proven to be a deterrent to a vigorous and growing general aviation community. Putting aviation fuel in an uncontrolled free market place would benefit the entire general aviation community.

Conservation measures already undertaken by the general aviation community have resulted in substantially increased utilization by its fleet, but at very modest increased fuel consumption.

In short, general aviation has adroitly managed the ongoing energy situation for half a decade, and has been able to turn it to its advantage. Given a national policy which will aim for the elimination of government regulation, for intensified conservation, for the development of new petroleum sources and for alternative fuel sources, our future will be as bright as our recent past.

CONGRESSMAN CRANE PLANS MIDDLE EAST TRIP

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. CRANE. Mr. Speaker, during the congressional recess I intend to travel to the Middle East, with several stopovers in Europe. This trip is strictly of a fact-finding nature, and is being made at the request of the World Jewish Congress, and under their sponsorship. No public funds will be expended during this trip, and all regulations set down by the Ethics Committee will be observed. I intend to make a public declaration of all the details of my trip as soon as they are finalized.

AN UNFAIR LIMITATION

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. LAGOMARSINO. Mr. Speaker, I would like to take this opportunity to bring to the attention of my colleagues an excellent editorial from the Santa Maria Times, concerning the enforcement of the 160-acre limitation. The views expressed in this editorial provide sound advice for all of us; I commend it to your attention:

AN UNFAIR LIMITATION

The question of enforcing the 160-acre limit for farms drawing water from federal water projects is now before the Senate Energy and Natural Resources Committee. In our opinion the moratorium on enforcement and review of the act itself is an urgent necessity.

In our opinion, the 1902 Reclamation Law, if enforced, will have disastrous effects on the agricultural industry and on the new overly-strained food budgets of the American consumer.

Profitable farming and lower consumer prices are based on the same principle as is all modern manufacturing—mass production. This has brought useful, needed goods and a healthy diet to a larger number of people in our nation than that of any other nation in the world.

To suggest that the large, successfully productive farms be broken into parcels under an agrarian reform styled after a "Banana Republic" type revolution slogan, is to throw one of California's vital industries back into the economic dark ages.

It is an industry that could be in serious trouble if the 160-acre parcel rule is enforced.

California agriculture produced $8.9 billion in gross receipts for 1976 and harvested over 49 million tons of farm crops. It supplies millions of dollars in payroll directly and indirectly in supplying its need for labor, packaging materials, transportation, machinery and energy. It contributes millions of dollars locally, county, state and federally in tax base. To tamper with its workings is to court disaster.

Experts point out that the American system of farming is the most efficient in the world, requiring fewer man hours per acre and thus providing the most healthful diet at the lowest possible cost.

One of the ingredients of success is the size of the farm. Studies based on 15 years of research show that the cost advantages, meaning lower consumer prices, are found on farms of acreage well over the 160 acre limit, and most efficient cost advantage farms fell in the 1200 to 1500-acre sizes. This was further substantiated by farm family after farm family giving testimony at the recent Sacramento hearings. The 160-acre parcel limit supposedly designed to help the family farmer will only prove his undoing and that of the consumer at the same time. It is not practical in today's market to profitably farm 160 acres in one ownership.

The reasons further supporting this are many and obvious.

Consider that all land, large and small, must have both rotational crops and land in fallow. The limited volume of a variety of crops because of the limited size of the

acreage will make farming in that manner unprofitable.

Also, many families now farm marginally profitable land along with the prime. The hugeness of the machinery and the total volume of the crop makes it profitable. However, should the family be forced to sell some of its surplus land under the Reclamation Act of 1902, it will certainly sell the marginal part first. Much of this land, according to its current owners or leasors, would not be farmed. Thus the total amount of land in production would be diminished and crop production lowered.

Machinery has made farming of large acreages feasible and profitable. It has also lowered the cost of products to the consumer. Many farmers operate on land they own as well as land leased from others, who in previous years farmed their property but now in retirement receive a fair return from the land farmed by others

But the 160-acre limitation would halt this. A provision calls for residing within 25 miles of their land, and this would be an outright hardship for those who have been productive farmers but are now in retirement.

A look at the statistics of leased land shows its high activity.

As an example in the San Luis Water District: 53 percent of the total acreage in the district was leased in 1977 and leases of over 320 acres accounted for 49 percent of district acreage.

If the people now leasing land came back to the land under the residency requirement and the land were split into 160-acre parcels, these problems arise: there must be new rights of way and service roads to the parcels, more land needed for dwellings, machinery sheds, extended sanitation facilities, water, fire, and police protection, and added retail services, all resulting in the loss of about 12 acres per 640 acres, plus adding to vehicular traffic and its attendant problems.

In our opinion, the proponents of the 160-acre parcel and other items in the act—National Land for People, California Rural Legal Assistance, California Campaign for Economic Democracy, Friends of the Earth and other fellow travelers—all would have us believe that we should return to hand making Model T's and forsake the assembly line.

To them, we say that the Model T had its day as well as the one-man, one-mule, and one-acre did in agribusiness yesterday, and to promote that doctrine for today would be a disaster for everyone in California and the consumer in general.

RESOLUTION TO RETAIN THE NAME OF MOUNT McKINLEY

HON. RALPH S. REGULA

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. REGULA. Mr. Speaker, today I am introducing a resolution cosponsored by the Ohio delegation which will permanently retain the name of Mount McKinley in Alaska, which is North America's highest peak.

This effort by the delegation is on behalf of the people of Ohio, and those throughout the Nation, who honor the memory of our 25th President, William McKinley. The mountain was named after him in 1896 by the prospector, William Dickey.

McKinley served his country with distinction as a Representative to Congress from my district in Ohio, during which time he was chairman of the Committee on Ways and Means; and as Governor of Ohio, before he rose to the Presidency.

Our effort to preserve his name for Mount McKinley is prompted by the attempt of a small group of people who would like the name changed to an Indian one, Denali. While the mountain has been referred to by various Indian names and others, the name Mount McKinley is the only permanent one. It has been globally recognized as the official name for some 80 years.

Any action to change the name of the mountain would be an affront to the memory of this martyred President and to the people of Ohio who are so proud of his heritage.

William McKinley well deserved the honor bestowed on him with the naming of the peak. As prosecuting attorney for my district, he earned the reputation as a champion of the workingman, when he represented coal miners in their right to strike. It was a quality he carried into the White House. He was a man of integrity and accomplishment from the time he was elected President in 1896, through his second term in 1900.

McKinley's dedication to promoting the welfare of the common workingman produced tangible results: in his first term he won approval of a measure providing arbitration in labor disputes. He was most well known for his initiation of ideas on a new economic world order, engendering a new era of America's recognition as a world power. In 1899, McKinley backed an open door policy with China. He was instrumental in helping China maintain its territorial integrity in the Boxer Rebellion of 1900.

When McKinley ran for a second Presidential term, he could boast fulfilling his original campaign promise: "Good Work, Good Wages, Good Money." His reelection in 1900 marked the most overwhelming majority in 30 years, making his front-porch campaign style history. His assassination in 1901, just 6 months into his second term, was a tremendous loss to the country.

This is the background we are talking about when we speak of Mount McKinley—not a vacuous name, but a selfless leader who dedicated himself to the enrichment of our Nation.

It is in support of these principles that the Ohio Members of the House introduce this resolution, so that we may permanently safeguard the meaning and tradition William McKinley's life provided for our country.

INSTITUTIONAL DISINCENTIVES TO AGRICULTURAL PRODUCTION IN DEVELOPING COUNTRIES

HON. TOM HAGEDORN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, December 6, 1977

Mr. HAGEDORN. Mr. Speaker, during the 94th Congress, this body approved what was known as the "right to food" resolution. This resolution was intended to "reaffirm the right of every person in this country and throughout the world to food and a nutritionally adequate diet," and to mobilize U.S. foreign and domestic policies in behalf of that goal.

What was not recognized by the resolution, however, was the role played by domestic production disincentives in many developing countries to the food shortages which they constantly suffer. If the United States is to be expected to continue to channel billions of dollars of economic foreign assistance to these nations, there is no reason why we should not also expect domestic production policies likely to insure adequate domestic resources at some point in the future. By exporting a measure of free enterprise, the United States could do a great deal to insure that these nations do not remain forever "developing."

A recent study by two foreign commodity analysts at the Foreign Agricultural Service identified nine agricultural production disincentives commonly found in developing nations, and concludes that—

> It seems reasonable that food production could be substantially increased if these restrictive policies were replaced with incentives for farmers.

At this point, I would like to insert a summary of the results of this extremely informative study:

INSTITUTIONAL DISINCENTIVES TO AGRICULTURAL PRODUCTION IN DEVELOPING COUNTRIES

(By Abdullah A. Saleh and O. Halbert Goolsby)

Institutional disincentives to farmers—in such forms as price and export controls, and restrictions on credit and the domestic movement of agricultural products—have the potential for widespread and serious harm, unless these countries have ample foreign exchange to import food—an unlikely situation. Given the present poor external financial position of many developing nations, agricultural disincentives are all the more serious. For a few petroleum-rich countries there is no problem, of course.

In September 1976, the U.S. Department of Agriculture surveyed 44 countries that had been found in an earlier study[1] to have governmental policies that could directly or indirectly discourage production. In 1975, these 44 nations contained 1.6 billion people—two-fifths of the world's population, or four-fifths of the population in the developing nations. In most of these countries, the bulk of the population is concerned with agriculture, and a large proportion of their national income is derived from the sale of agricultural products.

In the 1976 study, approximately 600 disincentives were identified, although it is difficult to count with precision because of the generic nature of some classifications of commodities reported. Price controls were the most often-used disincentive (106 occurences at the producer level and 112 at the retail level). Export controls were the next most-often used (physical limitations,

[1] Results of this study appeared in a supplement to *Foreign Agriculture*, March 1975. The survey covered 50 nations, of which 46 were found to have disincentives to domestic farm production. The current study covers all of these countries, except Spain and Greece. The disincentives reported in the Survey appear in the Appendix, where they are classified by country and commodity.

89 occurrences; and export taxes, 70). Least used were restrictions on internal movements (23 occurrences).

Disincentives were most often used in Peru (54 times), India (46), and Guatemala (32). They are more widely used in South America and Asia than in Africa, in part reflecting the fact that many African economies are still largely on a subsistence basis.

From the viewpoint of commodities, disincentives were applied most often to rice, wheat and flour products, and sugar—obviously because these are staple products in many developing countries. They are, however, applied to a wide variety of foods—from cassava to beef—and even to some nonfood agricultural products (tobacco, jute, and wool). In total, there were over 30 commodities against which disincentives were applied.

With the exception of Spain and Greece in the first survey, no attempt was made in either survey to ascertain disincentives in developed nations. Paradoxically, many of them have policies that often lead to overproduction of certain agricultural products. They also have policies that tend to restrict agriculture production.

As recently as 1973, U.S. Government set-aside payments for feed grain acreage totaled $1.17 billion, and 9.4 million acres of land were withheld from production.[2] Over the past two decades—during which in most years carryover stocks were large, depressing prices and farm income—U.S. agriculture has been the subject of various production adjustment programs to support farm income. Consequently, such programs have generally had as their objective supply reduction rather than supply expansion.

Current programs that act as restrictions on production in the United States are marketing quotas and acreage allotments for extra long staple cotton, peanuts, and most types of tobacco. Also, recent environmental legislation calls attention to social trade-offs between what is conceived of as being a socially desirable environment, and higher production.

There can, of course, be any number of types of disincentives that are general in nature and thus not specifically disincentives for the agricultural sector. These types of disincentives were not included in either survey. The types of disincentives found in the developing nations that more directly influence agricultural production include:

1. Controlling the producer price of agricultural products.
2. Controlling the retail price of agricultural products.
3. Noncompetitive buying (procurement policy).
4. Export controls.
5. Export taxes.
6. Importing for sale at subsidized prices.
7. Foreign exchange rate controls.
8. Restrictions on farm size, land tenure, and credit.
9. Restrictions on domestic movement of agricultural products.

To more fully appreciate the potential and detrimental effects of these practices, a short discussion of their general nature is given below.

IMPACT OF DISINCENTIVES [3]

Price controls. Producers normally try to maximize their profits within (a) the constraints of their technology, (b) the natural resources available to them, and (c) the final demand for the product. The consumer, in turn, tries to maximize satisfaction by demanding at the lowest price possible those products (including goods and services) that directly or indirectly satisfy some need or want. In a market-oriented economy where the forces of supply and demand are more or less free to interact on a competitive basis, both sellers and buyers can on a realistic and sound basis maximize their standards of living.

If a nation lacks foreign exchange to import food commercially and finds that it cannot import on a concessional basis, it must meet any increased requirement for food by stimulating domestic production. One way to accomplish this objective is to free production from artificial constraints, such as prices kept at low levels.

Why then are price controls instituted? In some cases, governments desire to control the price of food for political reasons; for many developing countries food prices comprise the largest component in the consumer price index—the primary indicator of the degree of inflation—and, when these prices rise rapidly, are often considered a mark of failure on the part of the government.

In many cases, however, the objective of price controls is a more equitable distribution of food, especially where there are inadequate domestic supplies and wide dispersion in the level of income. Unfortunately, when brought about by price controls, an improvement in food distribution in the short run may dampen production in subsequent periods. Also, prices set too low discourage farmers from using productive but costly inputs, such as improved seeds, fertilizers, irrigation, and pesticides—all needed to increase production.

Fortunately, the updated survey of September 1976, indicates some shift in government policies from controls on producer prices to support price systems that establish minimum guaranteed prices.

An increase in these minimum prices, for instance, almost certainly stimulated production of rice in Thailand. Previously, the Government was paying farmers a price far below the world price level. With the decline in rice prices since mid-1974, perhaps the minimum guaranteed price should now be lowered. But in any case, the changes in the level of production indicate—if they do not prove—the responsiveness of production to changes in prices.

Procurement policies. Certain procurement policies and forms of noncompetitive buying can be constraints that lead to lower than potential production. Such policies—where a government or a government-sponsored agency is the sole buyer of a product—may have adverse effects on both producers and consumers. Very often these practices are used to secure supplies for consumers at relatively low prices or to secure revenue for the government. However, producers, especially marginal producers, may be deprived of a price that covers total cost, and the consumer eventually may find himself paying more for a smaller output.

Noncompetitive buying is practiced in many developing countries such as India, Pakistan, Sri Lanka, and many Latin American and African countries. Commodities commonly subject to these practices are wheat, rice, and vegetable oils.

In some countries where noncompetitive buying causes a loss to farmers, government subsidies are given to farmers to more or less offset the loss. One effect is a heavy burden on the government's budget since the government must subsidize both consumers and food producers. Practices in Iran and Venezuela typify this arrangement. These two countries are oil-rich OPEC (Organization of Petroleum Exporting Countries) nations and few developing countries can afford to copy their example. Such policies, although they seem plausible, can lead to a lower production level than under a competitive system and perhaps distort the cropping patterns of these countries. This can result from the lag between paying production costs and receiving the subsidy, or from the inequity of subsidies among various types of enterprises.

Export controls and taxes. To domestic producers, export controls limit, sometimes absolutely prohibit, foreign sales—thus shrinking geographically and economically the total marketing area available to them. The supply of agricultural commodities offered for sale within the country exercising export controls, of course, will be increased at least in the short-run. The short-run increase in supply most likely will reduce prices and expand domestic sales. However, the reduced price may be one that produces revenue that is less than cost for marginal producers, thus reducing the incentive to increase, or perhaps even to maintain, production levels.

An export tax will not limit legally the geographic market available to producers, but economically the effect may be somewhat the same. This is the case when the export tax means a higher price to various importing nations—especially if these nations can find alternative sources of supply, or other commodities that will serve as substitutes. If on the other hand, the world market is very competitive and market forces determine prices, the exporting nation must sell at prevailing prices. Since the export tax cannot be added to the price in this case, the tax becomes a tax on producers and the disincentive naturally follows.

In the case of both export controls and taxes, foreign exchange earnings are most likely foregone that may be badly needed to import essential items. Such items may be impossible to obtain domestically or obtained only with the application of a great deal of time, energy, and resources—all of which could be used in other ways to increase standards of living.

Import subsidization. In an effort to control inflation and to provide consumers with an adequate supply of basic food commodities, some governments resort to import subsidization. That is, governments import at one price but sell domestically at a lower price, or perhaps even distribute freely. Unless incomes are so low that the food would not have been purchased in any case, this policy obviously will lower prices and discourage producers within the country from expanding production.

For example, improved seed varieties, around which the "green revolution" was built, require intensive use of fertilizers, irrigation, and pesticides. Unless domestic prices are high enough—or other incentives are available to justify the investment in such costly inputs—producers have no incentive to expand their production.

Exchange rate controls. In general, controls on foreign exchange proceeds of agricultural exports take the form of requirements to surrender the proceeds within a specified time or to surrender the proceeds at a specified minimum price of the item exported. Limiting the time an exporter may hold his proceeds in dollars or other convertible currencies may force him to exchange his proceeds at an undervalued level. By waiting, he might benefit through a devaluation of his native currency, which would allow the exporter to receive more local currencies per dollar surrendered.

Specifying a minimum export price at which foreign exchange proceeds are submitted, may at times remove the flexibility an exporter needs to consummate a sale. Either the exporter foregoes a sale—if the world market price is beneath the specified price—or the exporter may be required to make up

[2] *Commodity Fact Sheet*, April 1974, ASCS, USDA.

[3] This survey does not deal explicitly with interdependencies among commodities. It is recognized that a disincentive for one commodity may prove to be an incentive for another commodity, or the same commodity in another country.

the difference between the price he can obtain in the world market and the specified price level at which he must submit foreign exchange proceeds.

Restrictions on land tenure and credit. Imposition of these restrictions on farmers constitutes a serious barrier to the expansion of agricultural production in many developing countries. Despite the increased number of farmers owning land because of land reform, many developing countries have subsequently experienced lower output. While land is an important factor of production, other factors must be combined with land to maintain or increase the level of production. During the early stages of adjustment after land reform, new owners are usually farm workers with limited experience in farm management and most likely with little or no liquid funds to cover the variable costs of production. Poor management and the lack of funds result in inefficient use of resources and a decline in output unless these deficiencies are corrected.

Restrictions on land tenure that limit farm size could discourage farmers from investing highly productive inputs, and cause a loss of scale economies. In the Dominican Republic, for example, the land tenure law, which limits rice land ownership to 80 acres, has been one reason that country has needed to import rice over the past several years. The effect of this policy has been further amplified by controls on farm prices.

In another example, after Tunisia eliminated its policy of requiring State-controlled farm organizations in the late 1960's, the country's per capita agricultural production rose by 58 percent from the average level in 1961–65 to 1976. For all developing countries there was only an 8 percent gain.[4]

[4] Data from USDA, Economic Research Service, *Food Production Indices*, 1977.

Rural credit policies that limit the amount of credit given to small farmers have limited the expansion of the agricultural production in many developing countries. For example, the Government of Indonesia, in order to compensate rice producers for low rice prices, offers them subsidized credit. However, since the banking system views small farmers as high-risk borrowers, only the larger farmers benefit from the subsidized financing that facilitates the adoption of new production techniques. Therefore, it is only the larger farmers who have the negative impact of low rice prices partially neutralized through Government-subsidized credit programs. This results in inefficient resource allocation by depriving a large number of small farmers of liquidity to improve their level of production. In many other countries, applications for loans require a land title, which is not generally easy to provide.

Restrictions on domestic movement of agricultural products. Whatever the political justification may be, the prohibition on shipment of farm products from surplus districts to deficit districts within a country obviously discourages farmers in the surplus areas from producing more. Almost certainly the existence of such restrictions in India amplified the impact of food shortages following the 1974 drought and floods in India, where some States, such as West Bengal, were hit harder than others.

Another example is Indonesia, where interisland shipments of rice are prohibited except under Government auspices.

CONCLUSIONS

While it is beyond the scope of this report to present a quantitative evaluation of the net effect of various policies in different countries, a general indication about each country's need to expand its agricultural output is indicated by Table 1. For two-thirds of the countries included in this study, containing 1.6 billion people, the long-term rate of growth (1952–72) in domestic demand for food exceeded that for food production. Furthermore, the most optimistic food projections indicate that Asian developing nations will continue to be heavy foodgrain importers through 1985. These projections also indicate that India, Pakistan, Bangladesh, and Sri Lanka will continue in most years to be heavy grain importers within this region for the next decade.

The ability of various countries to import food at present is indicated in a general way by the data in Table 2. Many of these countries have current account deficits and a low level of reserves relative to the level of their imports. Those with good financial positions are mainly petroleum-producing countries, or supported by petroleum rich countries.

These data also indicate the ability of various countries to import such additional farm inputs as fertilizers, pesticides, and farm machinery. Recent estimates by the FAO (Food and Agriculture Organization) Emergency Fertilizer Supply Scheme indicate that the four Asian nations mentioned above accounted for nearly 80 percent of the world fertilizer shortfall in 1975.[5]

The nine disincentives discussed here are of course only some of the factors affecting total world food production. But it seems reasonable that food production could be substantially increased if these restrictive policies were replaced with incentives for farmers.

[5] Tennessee Valley Authority, *An Appraisal of the Fertilizer Market and Trends in Asia*, 1975.

APPENDIX

POTENTIAL DISINCENTIVE TO AGRICULTURAL PRODUCTION BY COUNTRY AND COMMODITY, 1976 D C

Country and commodity	Price controls: At producer level	Price controls: At retail level	Noncompetitive buying	Export controls: Physical limitations	Export controls: Export taxes	Import subsidies	Foreign exchange controls	Restrictions on—: Credit and land tenure	Restrictions on—: Internal movements
AFRICA									
Angola: Coffee					X				
Ghana:									
Cocoa	X		X					X	
Seed cotton	X		X					X	
Ivory Coast:									
Coffee	X		X						
Cocoa	X		X						
Rice	X		X						
Kenya:									
Wheat	X							X	
Corn	X							X	
Sugar	X								
Rice	X								
Liberia: Many commodities	X	X	X						
Morocco:									
Oranges					X			X	
Wheat products	X	X				X			
Morocco—Continued									
Other staple foods	X	X						X	
Nigeria:									
Cocoa	(1)		X					X	
Seed cotton	X		X					X	
Senegal:									
Peanuts	X		X						
Rice	X		X						
Sierra Leone:									
Some commodities	X		X					X	
Zaire:									
Palm oil	X	X		X					
Coffee		X			X				
Tobacco		X	X		X				
Rice	X	X							
Sugar	X	X							
Tea	X				X				
Cocoa					X				

THE 36TH ANNIVERSARY OF PEARL HARBOR

HON. JOHN M. MURPHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. MURPHY. of New York. Mr. Speaker, today, December 7, marks the 36th anniversary of the Japanese attack on American forces in Pearl Harbor. This devastating action crippled many of our military units in the Pacific theater, while at the same time thrusting this country into the midst of World War II.

On that Sunday morning in 1941, there were approximately 100 ships docked in Pearl Harbor, one of which was the U.S.S. *St. Louis*. This ship was later nicknamed the *"Lucky Lou"* in recognition of its valiant efforts to get underway and out into the open sea even though many of its crew were on liberty and the ship was partially inoperative. *Lucky Lou* was the only major warship to safely reach open sea during the attack.

The *St. Louis* continued to distinguish itself throughout the war and the rest of its service in the U.S. Navy. In 1951, the ship was taken out of mothballs and sold to the Brazilian Government to bolster the defense of the Western Hemisphere during the Korean war. In 1976, *Lucky Lou*, known to the Brazilians as *Almirante Tamandare*, was decommissioned.

Since that time, the Brazilian Navy has begun to strip the ship and is planning to send the remains to the scrap pile. Spurred by the concerns of those who served aboard the U.S.S. *St. Louis*, a

national effort has mobilized in this country to "Save *Lucky Lou*." Mr. Al Seton, a resident of my congressional district and a member of the ship's company, is heading up this movement. I might also add that one of our distinguished colleagues, JAKE PICKLE, also served on the *Lucky Lou*.

At present, last ditch efforts are being made to retrieve *Lucky Lou* through both formal and informal channels. It is a shame that we may lose this ship which symbolizes so much about the American spirit. It might be prevented by the passage of legislation I have introduced, the National Historic Preservation Policy Act.

This measure would establish a national policy for the preservation of our historic resources and specifically includes a distinctly separate maritime heritage program. The history of this country is rich with the contributions of those who have taken to the seas for both peaceful and wartime purposes. However, there has never been a concerted Federal effort to recognize the importance of our maritime heritage. I believe that my legislation, which has been cosponsored by 13 of my colleagues, will not only perform the much needed task of consolidating our Federal-level preservation efforts, but will provide the necessary direction and support in the area of our unique maritime heritage.

While it may be too late for this measure to be of assistance to the efforts to save *Lucky Lou*, I hope that early in the next session of Congress we can take this legislative action so that future efforts with other ships will not be stymied.

REMARKS ON SOUTH AFRICAN HOMELANDS

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mrs. COLLINS of Illinois. Mr. Speaker, I include in the RECORD a brief article that appeared in the Washington Post of Tuesday, December 6, 1977. The article recounts the so-called independence celebration of another African "State," Bophuthatswana. Those that read the article will readily see that Bophuthatswana is yet another fiction of the South African Government and a product of its apartheid homeland policy. As my colleagues will recall this homeland policy is an official South African tactic used to separate ethnic elements in the country by forcing them to occupy lands designated for their use. These lands are declared "independent states" and the South African Government feels obliged to call this policy of racial separation democracy.

Members of this body who read this account will, I am safe in saying, conclude that separating people by race and exiling them to land masses that cannot sustain independent state status, even in the most favorable of circumstances, is a hideous illustration of the twisted logic that governs the apartheid system in South Africa. It is safe to conclude that those who think about this homeland policy will reason that a policy of forced racial separation that isolates 70 percent of the total population to 13 percent of the land is not democratic, just, or excusable.

The article follows:

[From the Washington Post, Dec. 6, 1977]

BOPHUTHATSWANA'S "BITS AND PIECES" BECOME INDEPENDENT

(By Caryle Murphy)

Mmabatho, Bophuthatswana, Dec. 5—Under a starry sky and amid the blasts of a 101-gun salute the South African flag was lowered tonight, and a blue and orange flag with the face of a leopard was raised in its place as six unconnected parcels of South African territory became the independent country of Bophuthatswana.

This newest African state whose capital city was a grassy field only eight months ago is the second black homeland to become independent under South Africa's internationally condemned policy of separate development, apartheid.

As with its predecessor Transkei, which became independent in October 1976, Bophuthatswana's declaration of independence is expected to fall on deaf ears in the international community and its new status to be officially recognized only by South Africa and Transkei.

Transkei and Bophuthatswana are the products of the policy of separate development or "ethnic democracy" which the ruling National Party introduced after it came to power in South Africa in 1948.

The intention is to carve from 13 per cent of South Africa's territory independent black states or homelands for each of South Africa's black ethnic groups while maintaining white rule over the remaining 87 per cent. Blacks make up 70 per cent of South Africa's population.

The new homeland is for the 2.1 million members of the Tswana tribe, 1.4 million of whom live outside the territory. As citizens of the new homeland they will lose their South African citizenship and political rights, one of the controversial aspects of the homelands policy.

Like a scattered jigsaw puzzle, Bophuthatswana consists of six separate districts, totaling 16,000 square miles—half the size of Maine—in north central South Africa. Each district is surrounded by "white areas," governed by the white minority government in Pretoria.

Two of Bophuthatswana's districts border on Botswana, with which it shares a common language and culture.

A vital railway line that is the only link with the outside world for landlocked Rhodesia and Botswana passes through one of Bophuthatswana's districts. There has been speculation that Bophuthatswana might block passage of trains through its territory if Botswana refuses to recognize the new state.

In his remarks at the midnight independence celebrations Bophuthatswana's head of state, Chief Lucas Mangope, 53, indicated that his country's unusual geographic arrangement, which he acknowledged provoked ridicule in foreign circles, would continue to plague the "naturally strained relations with our former colonial master South Africa."

Chief Mangope told thousands of celebrating Bophuthatswana citizens that "just as it is born our independence has already fallen into a fatal credibility gap which bears the stamp 'made in Pretoria.' It is not at all surprising, I am afraid, that in overseas capitals they show me a map of the bits and pieces of Bophuthatswana and add the sarcastic remark, 'Did you say independence? Please forgive our mirth. We thought you were joking.' "

The expected international boycott was foreshadowed by the fact that the 120 foreign and national journalists covering the two-day independence celebrations far outnumbered the few official visitors. South African Foreign Minister R. F. (Pik) Botha, Transkei's Chief Kaiser Matanzima and the leaders of two other homelands that are expected to become independent in the future were the main "foreign" dignitaries.

Critics say that the geographic and economic dependence of the homelands on South Africa precludes any true independence. For Bophuthatswana's first year of independence, 71 per cent of the $83 million budget will be grants from South Africa.

South Africa says the newly independent homeland is as economically viable as any other recently independent African state and that its per capital annual income of $268 is double that of Botswana's. That figure includes the incomes of 200,000 Tswanas who work outside the territory.

Bophuthatswana or "where the Tswanas meet" is home for about one-third of South Africa's 2.1 million Tswanas, the second largest black ethnic group in South Africa. The rest of Bophuthatswana's 900,000 citizens have other tribal backgrounds.

Mangope's Bophuthatswana Democratic Party won all but a handful of the country's 96-member legislative assembly seats in elections last September. Only 13 per cent of the eligible 2.1 million Tswanas voted in that election, since most of the 1.4 million Tswanas who live and work in South Africa's cities boycotted the vote to protest homeland independence and separate development.

These Tswanas consider Mangope a "sell-out" to the white man's apartheid policy.

Mangope had tried to persuade the South African government to allow the Tswanas a choice between citizenship in Bophuthatswana or South Africa, but Pretoria did not budge.

About 45,000 people filled Independence Stadium on this chilly night to watch the tribal dances and gymnastics exhibitions that preceded the flag ceremony. Among them was Jacobeth, a 25-year-old typist who thought Bophuthatswana's independence was a good thing "so we can know and do what other people know and do."

There were some Tswanas who did not agree. A black newspaper reporter named Steve said he did not accept independence, "because we are South Africans. This land is ours. I don't want to see it broken into bits and pieces that will only turn to islands of poverty."

As the South African flag was lowered to South Africa's national anthem and the Bophuthatswana's flag was hoisted to the new country's anthem, an Afrikaner reporter said, "This is the part I don't like, seeing the flag come down and knowing that it's not yours anymore."

The stadium where the ceremony was held is next to Bophuthatswana's newly constructed Parliament building, the eight-bedroom residence of Mangope and the homes of nine other Cabinet ministers. The $12.5 million complex, built over the last eight months on a dusty field, forms the governmental heart of Bophuthatswana's capital city, Mmabatho, which also will include the black township of Montshiwa just outside the white town of Mafeking.

Before independence, Bophuthatswana signed extradition and labor agreements with South Africa. The two countries also signed a nonagression pact.

Bophuthatswana's new 250-man army was trained by South African army officers, some of whom will remain in the new force as advisers.

CARTER CALLS THE RIGHT MIDEAST PLAY

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. FASCELL. Mr. Speaker, all of us hope that the forthcoming talks among Israel, Egypt, and possibly other parties in the Middle East will produce a breakthrough for peace in that area of the world.

While the United States did not directly initiate this development, we can offer our support and such participation as may be helpful. I am glad to see that President Carter has recognized this, and his handling of the diplomatic situation reflects credit on his skill in the field of international relations.

The Miami Herald published an editorial on December 2. The editorial points out that if events seem to move toward a separate peace—why not?

I am sure our colleagues will be interested in the editorial:

CARTER CALLS THE RIGHT MIDEAST PLAY

President Carter has taken precisely the right stand on Israeli-Egyptian peace talks on behalf of the United States. It is one of less than a doer and more of a watcher and helper.

"Now that progress is being made," he said at his news conference Wednesday, "a proper role for the United States is to support that progress and to give the credit to the strong leadership that's already been exhibited by Prime Minister Begin and President Sadat and to let our nation be used as called upon to expedite the peace process."

This newspaper has said frequently that peace could not be realized by an imposed settlement but rather by face-to-face negotiation.

All the ingredients of that peaceful confrontation are now available save for the participation, or at least the attendance, of the other Arab states. Perhaps the last can be achieved, but we doubt it. Mr. Carter is known to have urged a brief delay in the Cairo talks to cool off and bring in the Arab world as a whole.

Israel and Egypt, the giant of that world, have taken the vow of war no more. Mr. Sadat has welcomed Israel to the Middle East club, which means long-cherished recognition of its right to exist by the most powerful of its neighbors.

It is said that Washington dislikes and even fears a separate peace between Egypt and Israel. Events, however, are moving inexorably in that direction. And why not? There is more of a natural affinity between Israel and Egypt than between Israel and any other Arab state, save perhaps Jordan. They understand one another.

Anwar Sadat surprised everyone, and even possibly himself, by reaction in most of the Western world to this hopeful breakthrough of bitterness and diplomatic bluster. He no longer needs our lead. He should have our support, and President Carter has properly given it.

CORPORATE PROFITS AND INFLATION

HON. DAVE STOCKMAN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. STOCKMAN. Mr. Speaker, in recent days the Carter administration has announced its general program on tax reform. While the specifics have yet to be released, the administration will soon send to Congress a $20 to $23 billion tax reduction package spread between individuals and business in a two-thirds—one-third formula. Apparently, reform measures will be sent to Congress later in a separate package.

I applaud the President and his advisers for recognizing the urgent need for a tax cut, but $20 to $23 billion is not enough to fund relief for both individuals and business.

By now everyone is aware that inflation interacts with the progressive tax schedule to drive up the burden on individual taxpayers faster than the rate of inflation. Even if we adopted a $30 to $33 billion tax cut, tax rate increases over the past decade would still equal the rate of inflation.

Few people may be aware that inflation has the same effect on the burden on business activity as it does on individuals. Recent research completed by the Republican Research Committee suggests that business overpaid the Federal Government by $12.6 billion last year because of inflation. Inflation, the study concludes, leads to insufficient depreciation deductions taken against business income and therefore higher taxes.

I place this study in the RECORD to further congressional understanding of how inflation has increased pressure on taxpayers:

CORPORATE PROFITS AND INFLATION

In recent public appearances Federal Reserve Board Chairman Arthur Burns sounded the general alarm on an important issue; low corporate profitability. Present Federal tax policy, by not taking into account the effects of inflation on reported earnings, is largely to blame for today's weak after-tax profits.

CORPORATE PROFITS AND TAX POLICY

The plight of corporations during inflationary periods is similar to that of individual taxpayers. Just as inflation is not taken into account when individuals compute their federal income tax—meaning higher tax brackets and proportionately higher taxes—so corporations pay proportionately higher taxes under inflation. Major corporate expenses are calculated on the basis of old, pre-inflation prices, but corporate revenues are measured in today's prices. When prices are rising, this policy leads to overstatement of corporate profits. The correct policy would be to measure both revenues and expenses using today's prices.

Depreciation deductions taken against income under current unadjusted rules are the most obvious and serious source of corporate overtaxation. Using data recently acquired from the SEC and a July 1977 study by Chase Econometrics it is possible to develop estimates of the underdepreciation problem. This data suggests underdepreciation of $31 billion by American corporations for tax purposes in 1977. Corporations will overpay the Federal Government by $12.8 billion for this reason alone in 1977.

Below are the estimates developed by the Republican Research Committee of the underdepreciation problem and the overtaxation of American corporations in 1977. Of particular interest today are the figures for utilities and primary metal industries. Utilities are presently paying $2.1 billion more in taxes because of unadjusted depreciation deductions while the primary metal industries are paying $950 million more. In the case of utilities, all these funds could be returned to the public through lower utility rates without altering rates of return set by regulatory authorities. Inflation adjusted depreciation deductions for the primary metals industries would permit the rate of investment in new equipment to increase by 35% at a time when many believe that these industries are losing their ability to compete against modern facilities.

ALTERNATIVE

DEPRECIATION POLICIES, INFLATION, AND CORPORATE OVERTAXATION

[In millions of dollars]

	Depreciation expenses under present policy, 1977	Adjusted for inflation, 1977	Difference, 1977	Estimated overtaxation, 1977
Agriculture	1,210	1,500	290	106
Mining	2,180	2,470	290	137
Construction	3,340	3,470	1,130	441
Manufacturing				
Food and kindred products	3,320	4,310	990	463
Tabacco	370	520	150	70
Textiles and apparel	1,290	1,760	470	21
Wood, paper, and furniture	3,120	3,430	310	145
Publishing	1,260	1,620	350	163
Chemical products	4,860	5,950	1,090	521
Petroleum products	7,690	9,860	2,170	1,036
Rubber	900	1,160	260	121
Stone, clay, and glass	1,370	1,830	460	215
Primary metals	3,580	5,570	1,990	949
Fabricated metal products	1,680	2,760	1,080	492
Machinery, except electrical	4,270	5,220	950	446
Electrical machinery	2,950	3,650	700	331
Motor vehicles	2,910	3,610	700	335
Transportation equipment except motor vehicles	1,420	1,880	460	191
Instruments and related products	820	860	40	20
Miscellaneous	480	650	170	80
Transportation	6,210	7,930	1,720	760
Communications	9,350	13,330	3,980	756
Wholesale and retail trade	10,200	12,240	2,040	841
Finance	8,050	10,000	1,950	882
Services	8,050	10,610	2,560	940
Utilities	10,470	14,930	4,460	2,117
Total	101,300	132,100	30,800	12,600

THE PANAMA TREATIES AND THE ABANDONED AMERICANS

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. HANSEN. Mr. Speaker, many questions have been raised concerning the folly of President Carter's proposed Panama Canal Treaties; however, none is more serious than the lack of consideration shown by the administration to the plight of the American citizens who work in the Canal Zone. Most of these 34,000 Zonians are dedicated, patriotic Americans who perform key functions in the direct operation of the canal.

Mr. Speaker, for the benefit of my colleagues, as well as the American public, I offer for the RECORD an appropriate article by Mr. Egon Tausch dealing with this serious matter.

REPORT FROM PANAMA: THE AMERICANS WHO OPERATE AMERICA'S CANAL

(By Egon Tausch)

One factor in the Panama Canal controversy which has been deliberately ignored by both the State Department and the media is the problem of the Canal Zone residents, or "Zonians."

There are about 34,000 U.S. citizens living in the Zone, most of whom are directly connected with Canal operations. It is a remarkably stable population, made up for the most part of children, grandchildren, and great-grandchildren of the original Canal workers. Many have married Panamanians and others are naturalized U.S. citizens themselves. There is no labor-management dissension, unemployment, welfare, race issue, or crime problem in the Zone.

The Zone is not a duty assignment for its residents; it is their home, which they have quite rightly believed would always be part of the United States. For obvious reasons, the State Department would like to forget about them.

Much has been made of the fact that the Canal will be turned over to Panama gradually; the Panamanians will not have full control until the year 2000. This has obscured the fact that the Zone itself, as distinct from the Canal, will be turned over 30 days after the treaty is ratified. The Zonians have lived next door to the Panamanian police state and do not relish the thought of living under it. Their attitudes must be taken into consideration before ratifying the treaties: any timetable for the transition to Panamanian control of the Canal depends entirely upon the willingness of Zonian employees to stay and work after the Zone is under the jurisdiction of the *Guardia Nacional*. If they won't the Canal will close down quickly and disastrously, regardless of any agreements to the contrary that U.S. and Panamanian negotiators might have made.

The Zonians have no intention of being ignored. They were the victims of the 1964 riots, sporadic violent incidents since then, including the bombings of American automobiles in November, 1976, and harassment by the Panamanian *Guardia Nacional* and secret police.

Now they find themselves an embarrassment to the U.S. Embassy in Panama, which has refused to permit the rights of these American citizens to strain relations with the Panamanian dictatorship.

"When we go into Panama to use their airport—we aren't allowed to use our own military field anymore—and get detained by the *Guardia*, we're all alone," says Mrs. James Fulton, president of the Pacific Civic Council in the Zone. Patrolman William Drummond adds, "If we get into any kind of trouble, we now know better than to call on our own Embassy. We call the British. They don't have to pretend we don't exist."

Drummond, president of the Police Union and legislative chairman of the Central Labor Union and Metal Trades Council, had his two automobiles bombed in the terrorist attacks of 1976. The incident was attributed to the G-2, the intelligence arm of the Panamanian secret police. The U.S. Embassy in Panama speculated publicly that Drummond might have bombed his own car to gain sympathy for the plight of the Zonians, a charge proven false when the other bombs went off and the terrorist notes were discovered. The Embassy never apologized to Drummond.

On February 11, 1977, Drummond was arrested by the G-2 at the Panama airport when he was on his way to testify in Washington on union business. He was detained and questioned in downtown Panama City for three hours. His release was obtained only because the arrest was reported by the protocol officer from the Embassy, who had happened to witness it. The Ambassador decided not to make a point of such arrests for fear of endangering the treaties.

Shortly before the negotiators completed the treaties they authorized Gov. H. R. Parfitt of the Canal Zone to release a list of fifteen "assurances" to U.S. citizens in the Zone—points that were to be in any proposed treaty.

Among them was the following assurance concerning criminal justice: "In connection with offenses arising from acts of omission punishable under the laws of the Republic of Panama, United States Citizen employees and their dependents will be entitled to specific charges, cross-examination of witnesses and legal representation of choice."

Also, the State Department announced, a status-of-forces agreement would be included in the treaty, which would permit U.S. civilians to be tried by their own courts as is done by the military in other foreign countries. These assurances were repeated by every level of government and were even incorporated into a Department of Defense directive to the military.

In reality, the State Department negotiators were aware that Panamanian dictator Gen. Omar Torrijos had consistently refused to consider any such assurances. These clauses had already been omitted from the early draft treaty at Torrijos' insistence.

The final treaty gives all authority over criminal justice—procedural and substantive, crimes of commission and crimes of omission—directly to Torrijos, with no safeguards for U.S. citizens, other than the right to serve their sentences in America if Panama agrees at a later date.

In the face of his repeated failure to get Panamanian agreement on these points, Ambassador Bunker continues to push the treaties by promising that a status-of-forces agreement will be forthcoming, somehow.

The residents of the Canal Zone feel a personal sense of betrayal by the U.S. government. They can vote only in presidential general elections, so their interests are centered on one issue—foreign policy. Secretary of State Henry Kissinger was profoundly disliked in the Zone, and the last television debate between Carter and Ford led the Zonians to believe that Dr. Kissinger's policies would be reversed by a Democratic administration. The Zone went solidly for Jimmy Carter. Now the President's representatives encounter only hurt hostility from the residents.

The Zonians have held rallies protesting the proposed treaties. More than 2,600 appeared at the last one before the treaties were signed. If any Zonians favor the treaties, they have yet to speak out. Despite their expert knowledge of Canal operations and of conditions in the Zone, the residents have not been interviewed by the major U.S. news media. The Canal Public Information Office complains that it gives a representative list of Zonians to every reporter who calls on the office, but none bother to visit the Zonians.

Some of the American reporters have resorted to denouncing the Zonians' stilt bungalows and commissaries-without-discounts as "unfair" luxurious living. Unlike other Americans, the Zonians are expected by the press to live a Spartan existence, in return for the privilege of working on the Canal.

In actuality, the architecture and scenery of the Zone differs from that of Panama only in that it is kept clean and in good repair. The attack on Zonians is reflected in *Time's* report of a Canal pilot who "refuses to work for a dictator." The quote is preceded by the magazine's categorical opinion: "The Zonians' basic objections to the treaty range from chauvinistic to sentimental to mercenary."

State Department officials counter Zonian opposition to the treaties by calling the U.S. citizens "colonialists" or "racists," a charge which labor leader Drummond refers to as the last-ditch effort of desperate bureaucrats. He, like many Zonians, is married to a Panamanian national.

Speculation about the evacuation of the Zone continues, without evidence of U.S. concern for keeping the Canal going.

Federal District Clerk Doris McClellan feels protective of her courthouse in the Zone. The daughter of Sen. John McClellan (D-Ark) knows her way around Washington: "What right," she asks, "does the State Department have to abolish or give a federal court over to a foreign jurisdiction? We're under the Justice Department, not Foggy Bottom!" A Southern lady of the traditional mold, she gets angry when she envisions the future of her beloved courthouse under the rule of Gen. Torrijos and his henchmen of the *Guardia*. Indeed, the General will have little use for a court of justice within a governmental system which recognizes no civil rights whatever.

Miss McClellan is taking no chances with the historical honesty of the future occupants of the Zone—she is sending all the deed records, which prove ownership of the land, to the U.S. for safekeeping.

Washington seems in no hurry to appoint a new federal judge for the Canal, making do with visiting judges in an obvious ploy to prepare for the turnover in case the treaties are ratified.

"What do they think they'll do with us? Send us home? Where is our home, if not here?" asks William Benny, a control house operator on the Canal. He and his wife were born in the Zone, and have no ties with other parts of the U.S. Benny will have to make his own plans for his family, and they won't be based on a timetable prepared in Washington.

The Governor of the Canal Zone and President of the Panama Canal Company is an Army general on leave of absence. The Zone Government and the Canal Company both operate under the general supervision of the Secretary of the Army. After completing his term, Gov. Parfitt will return to active duty, with a promotion if he hasn't made waves. He is prevented by his office from voicing Zonian complaints about the State Department or taking any position in regard to the proposed treaties. Nevertheless, his testimony before Congress during earlier hearings must have been unwelcome to those among his superiors who favor a gradual Panamanian takeover of the Canal.

Gov. Parfitt is painfully aware that the Canal must be closed if there are not enough U.S. employees who are willing to remain at a temporary job in a place that is no longer to

be their home, under a repressive foreign regime, and with little or no support from their own embassy. The Governor testified that fear of the future was affecting the work force even before the treaty agreement was reached. Since the 1974 Kissinger announcement of the Joint Statement of Principles, resignations have increased by 60 percent.

The Governor said: "Athough the number is not of such magnitude as to cause great concern, what we are concerned about is the trend—the fact that this could snowball and ultimately seriously affect our ability to perform the Canal's mission . . . prospective employees are wary in seeking employment with the Panama Canal when doubt exists as to the future security and tenure of their positions and the conditions which might prevail under a new treaty."

Even if other Americans were paid enough to induce them to move to Panama, they would require extensive training to become familiar with the 1910 technology of the Canal, simple as it is. They would have to be integrated slowly into the regular workforce. If the treaties are ratified, there won't be a regular workforce to ease them in to.

The U.S. Civic Councils, organizations of Canal Zone community representatives, polled 285 U.S. citizens about their plans. 62.8 percent said that they would not consider remaining if the Zone is given to Panama. "Many of our people now tell us that 'the day that the Canal Zone Police go, we go,' and also, more alarmingly, 'when the U.S. workers see the day getting closer that jurisdiction will be handed to Panama, you can expect to see the Canal shut down.' "

The only labor trouble that the Canal ever faced was a "sick-out" in March of 1976, which was a response to rumors of a new Canal treaty. As the Civic Councils reported, "Morale at that time was extremely low; this year we have to say honestly that our people are so demoralized that they are ready to give up and quit—a shutdown of the Canal, if it occurs, will not happen over a labor issue. It will result from apprehensive employees, who in their fear for their physical security, will simply leave their jobsites, go home and pack their suitcases. . ."

"The trouble with the State Department," concludes Pat Fulton of the Pacific Civic Council, "is that they want a new treaty as a 'symbol.' But the Canal is a *thing!*" Ideology and nationalism will not change the fact that if the Americans leave, the Canal will be dependent on Panamanian mechanical skills.

The Canal mechanism is simple, but it requires upkeep. There is no regular maintenance system in Panama. The elaborate daily lake dredging and cleaning and lubricating procedures employed on the Canal are causes of amazement, and sometimes derision, among Panamanian visitors.

For years, the United States has given preference in hiring, training, and promotion to Panamanian nationals. At the present time only two of the ship pilots are Panamanians, and not many other Panamanian nationals have risen above menial jobs. Far fewer than the quota provided for by the programs apply for training; fewer still complete it.

Recently the United States acceded to Panamanian requests and gave up control of Bayano Dam, a source of energy and a necessary control valve on the lake which supplies the locks with water. The daily inspection of the dam ceased immediately after Panama took possession. Within a few months the dam became inoperable. Torrijos could find no Panamanians with the knowledge and skills to repair it, and was forced to fly in a team of Yugoslav engineers and mechanics. Since the repair of the dam, new cracks have appeared.

Panama has never conquered the problems of mechanical and administrative efficiency. The garbage collection system in Panama City is practically non-existent; heaps of refuse rot in the tropical sun. Modern buildings have no hot water systems. Torrijos bought a new fleet of buses from Germany, but made no arrangements for mechanics or replacement parts. A year later, less than one-third of the buses were still running; the others were cannibalized for their parts and the bodies left abandoned along the streets.

The treaty negotiators could not entirely ignore the possibility of Zonian flight and the lack of skilled Panamanians to replace the American employees.

Consequently, the U.S. Embassy in Panama contracted the services of Mr. John L. Jackle to do a study of the impact of a new treaty on Canal Zone residents and how they might be convinced of its benefits. The political branch of the Embassy worked with Mr. Jackle. The final report indicates that the methods of the Panamanian dictatorship are not completely alien to the State Department: "a lot of good press would be essential for success: in this situation we would make good use of the controlled press situation on the Isthmus. If it does not work, no propaganda will sell it. But it can be given at least an initial breath of promise through skillful manipulations of the available media."

Later the report adds, ". . . we would have to work closely with the Government of Panama to insure that their share of the participation would be handled with our goals in mind. We would not want a Government of Panama speaker who is going to rant and rave about how glorious Panama's demands are; we would want someone who could communicate on a low-key level and who would be very reassuring."

Even such sophisticated Madison Avenue techniques might not work with Bill McConaughy, Senior Control House Operator and a highly respected mechanic. McConaughy has worked on the Canal all his adult life, as have his two brothers, their father, their grandfather, and their great-grandfather, who helped build the Canal and whose Theodore Roosevelt Medal the descendants treasure. McConaughy's pride in the Canal is second only to his pride in America for having created it.

"Short of working on the moonshot there's nothing I'd be prouder to do than what I'm doing here," he says. "We all feel that way, and it doesn't wear off with time." After thinking a moment, he adds, slowly, "As long as the Canal is American."

A RAILROADING DERAILMENT

HON. RAYMOND F. LEDERER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. LEDERER. Mr. Speaker, there were trying times during the deliberations in the Ways and Means Committee when I feared the Federal employees would be legislatively railroaded into the Social Security System—at the risk of possible derailment of their own pension benefits.

I was one of those who stood steadfast against such dubious machinations which, even had they succeeded, would have been only a temporary prophylactic for the ailing social security fund.

The impetus for change was so strong it appeared, in fact, there was little chance of it being side-tracked. Fortunately, my colleague, ROBERT NIX, in his capacity of Chairman of Post Office and Civil Service, entered the legislative maneuvering. Then, as the following article by Jerry Waldie of the Federal Times describes, what would have been a congressional faux pas was averted. And—I, for one, hope it will be many years before such a dubious and harebrained scheme is again brought to the House floor:

[From the Federal Times, Oct. 31, 1977]

NEW BALLGAME IN TOWN

(By Jerry Waldie)

Not so very long ago, capitol observers would have yawned at the news that the House Post Office and Civil Service Committee intended to take on the powerful Ways and Means Committee. The thought that the lowly PO&CS Committee might be successful in an effort to reverse a decision of the awesome Ways and Means Committee would be too much for anyone familiar with Congress to seriously consider.

But things have changed on Capitol Hill. The PO&CS Committee did exactly that on the issue of mandatory coverage under social security for federal and postal employees.

Ways and Means, over the opposition of its new chairman, Al Ullman of Oregon, and its social security subcommittee chairman, Jim Burke of Massachusetts, mandated such coverage.

Chairman Bob Nix of the PO&CS Committee moved with surprising speed and determination to challenge that action. He shot off a letter to Speaker O'Neill signed by most of the PO&CS members asserting his committee's "sequential jurisdiction" over the issue of social security coverage for these employees. The action of the Ways and Means Committee, Nix told the speaker, "grossly infringes upon a major portion of this committee's jurisdiction."

Speaker O'Neill didn't hesitate. He ordered "sequential referral" in compliance with Nix's strong demand and the old patterns of doing things in the House were delivered a major blow.

Nix followed up this concession to his committee's authority by a superb effort in obtaining support of the members of the PO&CS Committee for an amendment to strike mandatory coverage. Every single member of his committee, both Democrat and Republican, voted to support such an amendment to the Ways and Means Committee bill.

Suddenly casual observers began to understand there was a new ballgame in town. At least where the PO&CS Committee was concerned and probably where the Ways and Means Committee was concerned, too.

What brought about this unprecedented show of strength on the part of the PO&CS Committee as well as the unexpected display of weakness demonstrated by the Ways and Means Committee?

The newly found strength of the PO&CS Committee clearly has as its basis the determination of Nix to reassert the authority of that committee that for too long has languished unused.

Make no mistake—Nix is an aggressive and competent chairman and has worked out a strong working relationship with his ranking minority member, the very capable Ed Derwinski (R. Ill.) on matters affecting committee jurisdiction. Nix and Derwinski, in turn, have effectively persuaded the other members of the committee to act as a unified voice against efforts to weaken and ignore the heretofore lowly esteemed PO&CS Committe.

A new spirit has begun to infuse the entire committee, including its staff. The morale is high and deservedly so.

On the other side of this controversy, certain weaknesses on the part of the Ways and Means Committee have been revealed by this episode.

It would have been inconceivable during Wilbur Mills' era as chairman for the Republican minority to control a critical vote on the Ways and Means Committee. Yet, on this vote, the Republican minority, under the leadership of Barber Conable, their ranking member, voted as a bloc and, together with a minority of committee Democrats, overturned the position of Chairman Ullman.

It is hoped—and expected—that the new chairman, Ullman, will soon receive the support his courteous and open leadership should elicit from committee Democrats. But that point has not yet arrived.

Finally, Speaker O'Neill is a different House Leader than was Speaker Carl Albert. Albert's deference to the major committees in disputes with minor committees was absolute. O'Neill appears to be more open to a resolution of jurisdictional disputes according to the rules rather than according to power personalities.

All this adds up to good news for federal and postal employees. At least in the House, their affairs are in the hands of a very capable committee and staff.

It is too early to make a similar assessment of the Senate's handling of federal and postal matters.

But half a loaf at this time is better than none. "None" is where we were at the beginning of this Congress.

THE PRESIDENT'S COMMITMENT

HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. YOUNG. Mr. Speaker, in a letter to Chairman LONG of the Appropriations Subcommittee on Foreign Operations during our consideration of this year's foreign aid bill, the President of the United States promised us that he would instruct the U.S. representatives to the International Financial Institutions to oppose and vote against loans to Vietnam, Uganda, Cambodia, Laos, Mozambique, Angola, Cuba, and for the production of palm oil, sugar and citrus crops.

In the CONGRESSIONAL RECORD of November 2, see page 36695. I reported how the first chance the President had to keep this commitment, he did not do it. The Soviet Union introduced and passed a resolution at the United Nations calling for the rebuilding of Vietnam. Despite the strong feeling expressed in the House and despite President Carter's pledge to oppose and vote against assistance to Vietnam, our own representative to the United Nations did not vote against the resolution or even ask for a recorded vote.

Now, when the President has had a second opportunity to keep this commitment, again it slipped away. Despite the President's promise, Assistant Secretary of the Treasury, C. Fred Bergsten, instructed our executive director to the World Bank not to oppose a loan to Indonesia for development of palm oil production. In a lengthy technical attempt to justify this position, Assistant Secretary Bergsten explained that this particular palm oil project might not be used by Indonesia for export which would compete with the United States.

But, even that is doubtful because Assistant Secretary Bergsten admitted on page 3 of that technical document that "the likelihood is strong that most if not all of the production involved in the loan will be for domestic consumption rather than export." Even if we could reliably assume that this particular palm oil project would not be used for export, this additional supply would obviously free up other Indonesian produced palm oil for export and to compete with U.S. industry. In effect, our soybean oil industry helps to subsidize the Indonesian palm oil industry which then competes with the very industry helping to provide the subsidy. I am certainly not against competition, in fact I favor it, but we should not be in a position where we have to finance our competitors.

So again, despite the President's promise, which I as one Member believed he would keep, he has again presented us with another loop hole and has failed to live up to the spirit of his commitment.

Following is a reprint of the President's letter containing the commitments he made. I urge my colleagues to reread this letter for their own reference.

President's letter follows:

THE WHITE HOUSE,
Washington.

Hon. CLARENCE D. LONG,
Chairman, Subcommittee on Foreign Operations, Committee on Appropriations, Washington, D.C.

To Chairman Clarence Long:

Secretary Blumenthal has informed me of your constructive efforts to achieve a successful resolution of the problems posed by the amendments to the foreign aid appropriations bill restricting the use of U.S. contributions to the international development banks.

I deeply appreciate your helpful suggestions and the role you have played thus far in steering this vitally important legislation through the House.

As I stated in our meeting last Friday, I fully agree with you and your colleagues in the House that U.S. assistance through the banks must take full account of the human rights policies of recipient countries. Accordingly, I will shortly sign into law the recently passed authorizing legislation for U.S. participation in the international development banks which require that the U.S representatives to the banks oppose loans to gross violators (except where those loans are directed specifically to programs which serve the basic human needs of citizens of such countries).

Additionally, as we discussed earlier, I shall instruct the U.S. Executive Directors in the banks to oppose and vote against, throughout FY 1978, any loans to the seven countries mentioned in the House amendments. Our representatives will also oppose and vote against loans for the production of the three commodities where such production is for export and could injure producers in the United States. You may be certain that I shall closely watch and review the lending practices of the banks during this fiscal year.

For the longer run, I have directed the Secretary of the Treasury, in consultation with the leadership and appropriate committee of the Congress, to undertake a thorough study of how the whole range of U.S. objectives, including the type envisaged in these amendments, can best be pursued in the banks. I would expect that the results of this appraisal could help guide our efforts for FY 1979 and beyond, in partnership between the Administration and the Congress.

I would hope that these steps would enable the House to avoid adopting any of the restrictive amendments, previously passed, in the final foreign assistance appropriations bill for FY 1978.

I appreciate your support and counsel on these critically important issues confronting our foreign policy.

Sincerely,

JIMMY CARTER

SCIENTIFIC EVIDENCE AGAINST MARIHUANA: PART II

HON. LARRY McDONALD

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. McDONALD. Mr. Speaker, medical research over the last 7 years has shown that the active chemical ingredient in marihuana, various compounds of the chemical tetrahydrocannabinol (THC), have a number of markedly deleterious effects on the physical and mental condition of even moderate users who smoke two or three joints a week. The advocates of legalizing marihuana have tried to ignore the scientific evidence, and others who by their backgrounds in medicine or research should be expected to keep on this new information continue to promote marihuana as harmless. The White House adviser on drug abuse and mental health issues, Peter Bourne, M.D., who this year expressed his support for legalization of marihuana and cocaine appears to be in such a category.

Hardin B. Jones, professor of medical physics and physiology at the University of California at Berkeley, a leading researcher into the effects of marihuana, wrote an excellent article for Private Practice magazine in January 1976 which while designed for the family physician is not so technical as to be beyond laymen.

The article follows:

WHAT THE PRACTICING PHYSICIAN SHOULD KNOW ABOUT MARIHUANA

The average marijuana user—the young man who smokes two to three "joints" per week—is adversely and persistently affected by the "weed." But he does not comprehend his situation. Young women are affected in the same way, but they are about half as likely to use the drug and they usually consume somewhat less when they do. Effects on these young people are, of course, less than with daily use of the drug, but young people who smoke marijuana to any degree are likely to be brought to physicians by concerned parents who are worried because of the change in their behavior.

Evidence of the cumulative nature of the effects of marijuana is found throughout the literature of this subject. It was my own initial observation upon interviewing marijuana users. I found that it was necessary to smoke marijuana cigarettes several times to get the first intoxicative "high," and that after that stage was reached (usually after about five cigarettes had been smoked, either all at once or spread out over several weeks), intoxication could be renewed by smoking only a portion of a joint. Because of my observations, I challenged the claims that marijuana

has a "reverse tolerance," with the implication that it was, therefore, safe. The notion of safety due to reverse tolerance has remained in the pro-marijuana literature in spite of the proof that the active components of marijuana do indeed accumulate in the body and in the brain.

The fate of the active ingredient of the cannabis drugs, delta-9 tetrahydrocannabinol (THC), has been determined by a number of studies in laboratory animals and in humans by labeling the administered THC with a radioactive isotope (either hydrogen-3 or carbon-14) and tracing it in the body for distribution, retention, transformation to other chemical forms, and excretion. The retention of labeled THC measured in humans is about forty percent at three days, thirty percent at one week; by extrapolation, ten percent at forty-eight days, and one percent at 4.6 months. The high retention of THC is confirmed by studies in which it was administered to laboratory rodents. The retentions is comparable in mice, rats, and humans, except that small animals are more active per unit of size and time of retention is correspondingly reduced. There are also minor species differences in the partial degradation of THC prior to excretion as cannabinol residue. A large fraction of administered THC is converted in the body to 11-hydroxy-THC—a substance that is several times more psychoactive than THC. Both active forms of THC tend to persist in the body for long periods of time.

During the "high" period following the smoking of marijuana, the organ concentrations follow that of the blood. There is a peak of concentration in the brain corresponding to that of the blood which lasts about four to six hours. Although the concentration of THC in the brain is much lower than in the other organs, that fact is not a measure of its effectiveness. The THC taken up by the brain is concentrated largely in the cell membranes, where the local concentration is twice as high as the THC content of the red blood cells membranes.

The disappearance of THC from the blood over the several hours of the "high" is not due to its removal from the body; it merely accumulates in fat tissue, which has a high affinity for THC. Some of the THC is partially degraded, but it remains a cannabinol residue. Cannabinol residues and THC are excreted largely by the bile, but only at a very slow rate. When THC has been administered to laboratory animals on a uniformly repeated schedule, it accumulates in the fatty parts of cells at an essentially constant rate, since the rate of elimination is so slow—about ten percent per month. The implication of this finding for humans is that progressive retention will increase the body burden of THC for many months before reaching equilibrium when the rate of excretion becomes equal to the rate of intake of THC. Based on animal studies the concomitant accumulation in brain cells is such that the result of smoking marijuana every other day for a month is a retention of the same quantity of THC in brain cells as that which causes an acute "high" in the beginning marijuana user. The chronic marijuana smoker increases his brain's burden above this chronic level when he smokes by producing a transitory peak concentration in the blood and brain; but he is never without significant quantities of THC in the brain at a level determined by the brain's equilibrium with the body fat. In the chronic marijuana user, the high brain levels cannot be reduced without the many months of abstinence necessary to clear THC from the body fat.

The accumulation of THC in the body fat means that the THC becomes involved with lipoproteins and the lipid layers of the cell membranes. The effect of the THC on the cell is not solely the consequence of absorption into the cell surfaces; many substances, including gasoline and kerosene, have equal affinity for fat and are carried into the body readily on inhalation of these vapors. Also, some of the other cannabinoids in marijuana have the same high affinity for cell membranes and body fat. Yet gasoline and kerosene do not cause the problems known to occur with marijuana. One of these cannabinoids is responsible for the alteration of liver function which has been shown to take place independently of the psychic effects of THC. It will be some time before there is comprehensive understanding of the full range of effects of THC and the other cannabinoids once they are absorbed into the body. Among the known effects, THC depresses cell division and synthesis of DNA, suppresses the immune response of the blood lymphocytes, and alters the structure of the brain cell membrane. Alteration of cell structures in lung air passages of marijuana smokers has also been observed in studies made by Dr. Tennant, a pathologist who investigated cannabis-using American soldiers in Germany. Dr. Tennant did bronchial biopsies on thirty soldiers, average age twenty-one, who smoked 25–30 grams of hashish per month for a few months. This is an estimated 80–90 milligrams of THC per day, approximately four times as much as is received by a person smoking one marijuana cigarette (2 percent THC) per day. *Twenty-four of the thirty young men had precancerous lesions* detected in the biopsied specimen. These lesions are seen in tobacco cigarette smokers, but not until much later in life and after about three decades of cigarette smoking. It remains to be seen what fraction of marijuana smokers will develop severe respiratory disease. The frequently observed association of marijuana or hashish smoking with some degree of inflammation of the respiratory system, from sinusitis to bronchitis, suggests that valid results can be obtained from a demographic survey of the problem with a much smaller sample than was required to establish the effects of cigarette smokng. The signs are that emphysema and lung cancer will occur sooner than in the case of cigarette smoking. The effects should shortly become evident in our vital statistics when appreciable numbers of marijuana smokers will have been exposed to the drug for more than fifteen years. That is the interval usually estimated as the latent time for development of lung cancer in humans.

The physician should especially warn patients with existing lung disease against the use of the cannabis drugs. In this regard there is a well-founded claim that marijuana smoking makes breathing easier during the immediate period of exposure to the smoke. The effect seems to be due to drug-induced relaxation of the bronchioles. This observation has led to a claim by some people in the movement to legalize marijuana that the drug offers a benefit to asthmatics. It has been noted just as frequently in the literature, however, that marijuana is likely to bring on an asthmatic attack. These are not contradictory sets of observations; the induction of attacks of asthma seems to be caused by the chronic irritation by the marijuana smoke, an inflammation due to the cytotoxic impact of THC itself. It certainly appears necessary to warn young asthmatics that aggravation is the more likely result of marijuana smoking.

There can be no doubt about the pleasant effects of marijuana smoking, as attested to by several thousands of users I have interviewed. Furthermore, Dr. Robert Heath has been able to show, by direct placement of brain-wave detecting electrodes into the pleasure centers deep in the brain, that the pleasure centers themselves are triggered by marijuana smoking just as though they had been activated by an electrical current or by other stimuli. His extensive work includes neurological observation of humans experiencing sex, various drugs, and other sensory stimuli, and corresponding work with monkeys. In monkeys, activation of the pleasure centers by marijuana smoking produces brain wave discharges, but afterward the normal responsiveness of these centers is impaired up to five days. In exposures equal to those of a heavy marijuana user, the pleasure centers of the monkey become inactive for an indefinitely long period of time. An inaccurate, though widespread, criticism of this aspect of Dr. Heath's work is that the dosage causing semipermanent quiescence of pleasure responses is higher than the usual human range of exposure. Dr. Heath has verified that this is not the case. It may be, of course, that the monkey is somewhat more sensitive to THC than is the case in humans; nevertheless, it is commonly observed that young people who smoke marijuana heavily experience essentially the same effects—quiescence of the sensations of pleasure. I use the term "sensory deprivation" to describe this consequence of marijuana use. The term "depersonalization," as used by Drs. Kolansky and Moore, has a similar implication about these brain changes that evolve slowly with the cumulative effects of marijuana smoking and which on rehabilitative abstinence are the slowest to recover. The ability to feel good or to feel alive results from the normal operation of the pleasure centers and they give such zest as we can know to all the ordinary events of life. Sexuality is merely one facet of these emotional functions. The anatomical structures that control these important functions are first irritated and then impaired by the use of marijuana. The smoker merely observes in his early experiences with marijuana that he feels good or that sex becomes more sensual. He does not observe what became a common, obvious pattern to me as an interviewer of marijuana-smoking students. Their sexuality was heightened only for a short period in early marijuana use; afterward, sexuality diminished steadily. It is common to find absence of sexual activity in marijuana smokers, including absence of sexual dreams and masturbations. Yet the pot smoker does not perceive these changes. Perhaps they are due in part to induced depression of pituitary and gonadal function. The mechanisms are unknown at this time, but the clinical result is well established.

For some persons, smoking the weed once or twice a week may constitute heavy use as judged by its effects. It depends on the individual sensitivity to the drug and the strength of the marijuana used. Certainly all daily smoking of marijuana is heavy use and there are many signs of chronic debilitation. It is common to find that daily users have become unable to cope with ordinary problems. An early sign of such effect is the complaint that he is being "hasseled" by almost any interpersonal contact, an indication that the mental reserves are thin. Daily marijuana users, though heavily affected, have no insight into their condition or recognition of what has happened to them.

A morphological causative factor for their mental state has been observed. In ten consecutive cases of young men who were heavy users, the late Dr. A.M.G. Campbell, professor of radiology at the University of London, and his associates, did air electroencephalography and found enlargement of the ventricles and rounding of the usually sharp and well defined edges of the ventricles—findings that point to severe atrophy of the deepest portion of the cerebral hemispheres. It is noteworthy that the pleasure centers are also in this area of the brain. Clinical findings on heavy marijuana users point to the development of organic brain disease as described by Kolansky and Moore.[1] It appears that irreversible brain changes may be encountered as marijuana use extends beyond

[1] Kolansky & Moore, "Marihuana: Can It Hurt You?" J. Am. Med. Assoc. 222: 923–924 (1975).

three years. Kolansky and Moore[2] note that marked and rapid improvement resulting from abstinence does not begin until several weeks have elapsed and then only if exposure has been of less than about three years' duration. The subjects of the Campbell study had all used marijuana for three years or longer. I have observed improvement in all college students who, after established regular use, have cooperated with me in abstaining for several months. Most of them have become convinced by their personal experience of recovery that marijuana had indeed impaired their minds, and they have continued to abstain. Improved memory, clearer thinking ability, feeling good, and the return or augmentation of sexual functions have usually been noted in my series of cases. In three cases of students who were heavily affected, but not incapacitated, I had opportunity to follow them closely over a period of four years. In each, improvement was evident in a few months. These young men probably gained full recovery and lost all signs of suppressed mental functions. Viewed over the entire period of observation, the improvement was very slow and required a period of three years.

The average marijuana user, in between exposures, exhibits a wide range of brain changes:

1. He has shifted from a self-activating, interesting, and interested person to one who is withdrawn and given to disordered thinking. I have observed some degree of change of this kind in every marijuana user. When it becomes clearly noticeable as a change in life style, it is often called the "amotivational syndrome." It is more than just a shift to sedation; thinking is affected in many ways.

2. Thought formation in the marijuana user tends to be less powerful: conclusions are relatively impetuous, and expressed ideas are often non sequiturs. It is as though some of the reference checking in thinking has gone astray. The user has the illusion that his chronic state is simply a mature mellowing.

3. The marijuana user's attention span and ability to concentrate have been reduced. Memory, especially short-term memory, is shortened.

4. The facial circulation reflexes are impaired; blushing is reduced. The skin tends to be pallid and relatively lacking in blood (except during the marijuana "high," when the skin is flushed and the sclera of the eyes are bloodshot). The focusing of the eyes is less precise; eye movements and facial expressions are less pronounced than in nonusers.

5. The conditioned social responses, such as affection for parents and tolerance for their suggestions, are impaired. Throughout the literature, cannabis is known as "the drug of alienation." Perhaps the cause is that pleasure centers for social conditioning have been affected. There is a loss of other conditioned responses; for example, an unkempt appearance is common and a loss of inhibition about urination in inappropriate places. One mother recently complained that her son had urinated in her flour bin, which happened to be open; more often the story is urination on walls of rooms in the vicinity of the toilet. Concern for consequences is reduced, and concern for the rights and well-being of others may be largely absent.

6. The marijuana user does not want to be "hassled." Mild criticism or merely requesting that housekeeping chores be done may be interpreted as hassling. The conflict causes the marijuana user to feel actual pain. He may even threaten his parents or other adults opposing his life style.

7. Marijuana is a hypnotic drug, and the hypnotic spell is long lasting. Thus, the user is likely to be talked into many situations that he would otherwise avoid. He may even engage in work in which there is a follow-the-leader type of spirit. The leader, in this case, is not likely to be outside the circle of persons using marijuana. The hypnotic effects of marijuana are, in my opinion, largely responsible for the acceptance of the hazardous consequences of more powerful drugs, a yielding to homosexual advances, and overly generous compliance with unreasonable requests by friends.

8. The young marijuana user tends to remain thin and to be underdeveloped for his age. The trend is more pronounced with heavy use. The daily marijuana user of several years' duration is likely to appear emaciated. The buttocks are thin; the facial muscles are atrophied. Similar changes in body composition have been well established in the rat.

9. The male is deficient in male hormone. The findings of Kolodny[3] indicate a five percent decline in male hormone production for each marijuana cigarette (one percent THC) smoked per week. This is the relationship in mature males; it is likely that the effect is relatively larger in the adolescent. Since Kolodny finds that the effect is mediated through the pituitary, and both gonadotropic hormones are diminished, it is likely that a similar effect occurs in women.

10. He is likely to have a tendency toward paranoia or schizophrenia, or both. This may be caused by chronic disturbance of the neural mechanisms by which sensations received through two or more organs are synthesized into a composite interpretation of the physical cause. Such a disturbance, which occurs in both psychotic persons and those using marijuana, can lead to completely inaccurate interpretations of the real world.

11. He is likely to have an elevated number of broken chromosomes in cultures of his white blood cells.

12. His white blood cell immune response is lowered. The immune response of skin cells has been shown to be unaffected; the difference is probably a consequence of the high exposure of blood cells to THC, whereas skin cells are less exposed. It is estimated that skin cells receive fifteen percent of the exposure of blood cells.

13. The diurnal cycle of sleep and waking is largely inverted. The marijuana user stays up at night.

14. Sexual functions are often stimulated early in marijuana use, but with regular use, sexuality is suppressed. This is dramatically the case with sexual dreaming, which is usually abolished with the beginning of regular marijuana use.

The average marijuana user will stop using this drug upon being convinced that the life style and effects are not what he seeks. He is not addicted or physically dependent on marijuana; he uses it only about twice a week, while the narcotic addict requires his drug on a regular daily basis. Nevertheless, the average marijuana user is likely to encounter difficulties. His friends are probably users, and the pressure to continue to join in when the "roach" is passed is very great. On the physical side, the marijuana user may have intermittent headaches for the first few months upon abstaining. This is a mild withdrawal symptom. There may also be symptoms of sleeplessness, restlessness, and agitation, which a physician can alleviate in order to help the user withdraw completely from the drug.

As in most forms of drug dependency, whether physical or mental (including alcohol, barbiturates, tobacco, amphetamines, and narcotics), body conditioning through hard physical exercise is helpful in readjusting the brain reflexes tied to the diurnal cycle. Physical exercise is also helpful in reestablishing the normal vigor of the pleasure mechanisms that rule over brain function.

[2] Kolansky & Moore, "Toxic Effects of Chronic Marihuana Use," J. Am. Med. Assoc. 222: 35–41 (1972).

[3] Robert C. Kolodny *et al.*, "Depression of Plasma Testosterone Levels After Chronic Intensive Marihauna Use," N. Engl. J. Med. 290: 872–874 (1971).

Robert G. Heath, Harold Kolansky, Robert Kolodny, William T. Moore, Forest S. Tennant, Jr., "Marihuana-Hashish Epidemic and its Impact on United States Security," Hearings before the Subcommittee to Investigate the Administration of the Internal Security Act and Other Internal Security Laws of the Committee on the Judiciary, United States Senate, held May 9, 16, 17, 20, 21, and June 13, 1974. U.S. Gov't. Printing Office.

TUITION TAX RELIEF

HON. ROBERT W. KASTEN, JR.

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. KASTEN. Mr. Speaker, I am pleased to join in cosponsoring the Tuition Tax Credit Act of 1977. This bill is designed to provide relief to financially hard-pressed middle-income families who are finding it increasingly difficult to bear the costs of education.

The Tuition Tax Credit Act would allow taxpayer to subtract one-half of the tuition they pay, up to a maximum of $500 per student, from their Federal income tax bill. Adults could claim the tax credit if they went back to school and parents could claim the credit for their children's education.

The credit would be available for tuition paid to an elemenary or secondary school, a college or university, a vocational or technical school, or an accredited business or trade school. Low-income families whose taxes are less than the credit would also benefit from a refund for the difference between the tax credit and their tax liability.

STRONG PUBLIC SUPPORT

As my colleagues know, the concept of a tuition tax credit is not new. More than 50 tuition-relief bills have been introduced in this Congress. The Senate has passed such legislation in four out of five past Congresses. The House recently voted to provide necessary funds in the fiscal year 1978 Second Concurrent Budget Resolution. There is strong public sentiment in favor of such a credit. The time has come to enact the necessary legislation.

TAX RELIEF—A NECESSITY

The average American taxpayer is fast reaching the end of his rope. In times like these, with the cost of living steadily increasing and the emphasis on the need for education as great as ever, the taxpayers who are financing their own or their children's education deserve relief.

A recent survey by the College Entrance Examination Board indicates that the average cost of a year's education for a student who goes away to a 4-year private institution is $4,811. The average cost at a public institution is $2,906. And

of course those figures will continue to escalate.

Often, the victims of these soaring educational costs are middle-income families—those who have insufficient incomes to pay the costs of college or private schools, but are considered too affluent to qualify for federal financial assistance.

Government assistance programs have increased substantially in recent years, but these programs are targeted almost exclusively for lower-income students. For example, as of January, 1975, less than 4 percent of the basic educational opportunity grants, the main Federal college assistance program, went to families earning more than $12,000 per year.

While I support such Federal assistance, I also believe we cannot forget those families who are paying the taxes to finance these programs and are finding themselves unable to educate their own children.

As a New York Times article has said, the difficulty that these parents are having in sending their children to college suggests outright disaster for the vast majority of American middle-class families in the $12,000–$20,000 range who are considered too affluent for Federal or State scholarship aid.

MORE GOVERNMENT AID—NOT A SOLUTION

There can be no doubt that Congress must take action and soon. I do not believe that an expanded system of Federal grant support is the answer. That can only translate into bigger deficits or higher taxes.

America was built on hard work and perseverance. We cannot continue to sap the productive energies of our working people with more Government aid programs. Rather, we should allow them to keep more of what they earn to pay their own bills rather than the Government's.

Instead of helping people by requiring them to fill out detailed forms, baring their personal finances and pleading poverty in order to receive a portion of the money they have already paid in taxes, Congress should allow taxpayers to keep a greater portion of their own income to spend on educational expenses.

That is why I believe the tax credit approach is the best mechanism to providing relief to the middle-income family. It is simple, direct and effective. It will apply to all students at all levels of education. It will not entail a further expansion of an already massive Federal bureaucracy.

While some have questioned the cost of such a program in terms of lost revenues to the Federal Treasury, I believe the revenue impact would be a worthwhile and necessary investment in the future of our country—an investment that would be returned in higher earnings, better job opportunities and consequently, higher Federal tax revenues in the future.

I sincerely hope that next year as Congress considers the broader issue of comprehensive tax reform, it will make provision for a tax credit along the lines of those suggested in the Tuition Tax Relief Act of 1977.

COMPENSATION FOR REGULATORY VICTIMS

HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. ASHBROOK. Mr. Speaker, I have long believed that the Federal Government should be more accountable in exercising its regulatory activities. The power to regulate, after all, is the power to destroy.

Those who are regulated can find themselves subject to decisions which cost thousands of dollars. In some cases a governmental ruling may even result in bankruptcy.

In the 94th Congress I sponsored an amendment along with former Senator Buckley to provide a small measure of relief. This amendment gave private parties wronged by decisions of the Consumer Product Safety Commission the opportunity to recover damages. The Commission could not evade its legal responsibility for its tortious acts by hiding behind the cloak of sovereign immunity.

This, however, is just a small beginning. Regulatory victims deserve to be compensated for their financial losses.

S. John Byington, Chairman of the Consumer Product Safety Commission, has stated his support for a broad compensation program. He recently recommended a Government policy on compensation for companies suffering losses as a result of Federal regulations. According to Byington:

> It's time to decide who should foot the bill for economic losses directly or indirectly caused by government regulation . . . Historically, the government's response to those injured by its regulatory action has been to give occasional expressions of sympathy and not much more.

The policy urged by Mr. Byington seems sensible. Businesses suffering huge financial losses as a result of Federal regulatory actions deserve more than sympathy.

Following is an article on Byington's remarks which appeared in the November 30 Washington Star:

NEW POLICY URGED TO AID REGULATORY VICTIMS

(By Bailey Morris)

The chairman of the Consumer Product Safety Commission, citing the problems in regulating the flame retardant Tris, today called for a government policy on compensation for companies that suffer losses as a result of federal regulations.

"It's time to decide who should foot the bill for economic losses directly or indirectly caused by governmental regulation," CPSC Chairman S. John Byington told a group of industry and consumer representatives.

Almost any policy would be "fairer" than the present one, Byington told participants in a two-day symposium on hazardous chemicals. Currently, Byington said, only "those with a political clout who get private relief acts through Congress" are able to obtain compensation for financial losses.

The Tris case graphically pointed up the need for a new government policy, Byington said.

In this case, sleepwear manufacturers, most of them small companies, found themselves caught between the need to comply with government flammability standards as well as a ban and recall of Tris-treated sleepwear. The ban was promulgated by the CPSC on grounds that the chemical caused cancer.

"In the Tris case there has been no admission of error by the government . . . nor do I believe that there should be one," Byington said.

But, he added, the losses suffered by responsible companies pose the question of who should bear the financial burden of bankruptcies and losses.

"Historically, the government's response to those injured by its regulatory action has been to give occasional expressions of sympathy and not much more," Byington said.

One case where the government admitted error was the cranberry scare of 1959, Byington said. "It supported compensation of those it had wrongfully harmed," he said.

But in another case, the cyclamate scare of the late 1960s, Congress denied a request for compensation to canners who suffered more than $200 million in losses, Byington said.

"Relief was withheld despite the canners' assertion they had relied on the Food and Drug Administration's placing of cyclamates on a list of products generally recognized as safe," Byington told the group.

It is this kind of uncertainty that must be eliminated, especially now that government surveillance of hazardous substances is more intense and the technology to detect them is more sophisticated, Byington said.

Part of the solution, the chairman said, lies in the creation of "eligibility criteria" that would protect businesses against unforseeable laws while barring compensation for the unscrupulous.

That distinction, though a difficult one to make, might be fashioned by applying "a test of reasonable reliance," Byington said.

Reasonable reliance, he said, should be defined by answering the following question:

"Was the injured party reasonable in his reliance that government would not regulate in such a way as to cause his losses, or were the circumstances such that the party should have been aware of the possible pitfalls?"

Byington's expression of concern for the fate of businessmen comes as the government is expanding its regulation of toxic substances.

After five years of debate and passage of 12 versions of a toxic substances bill, pressure is being put on the federal government to take new and decisive action against harmful chemicals in the environment, a leading regulator told the symposium yesterday.

The Environmental Protection Agency, for example, plans to quadruple the staff of the office dealing with toxic substances—from 100 to 400—over the next two years, according to EPA official Steven Jellinek.

Jellinek said hazardous chemicals are the topic of the moment, just as air and water pollution were spotlighted 5 to 10 years ago.

EXPLANATION OF MISSED VOTES

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. CONYERS. Mr. Speaker, due to my absence as a result of public hearings on unemployment and crime that I am conducting in California with the Subcommittee on Crime of the House Judiciary Committee, I was unable to vote on the conference report on Legal Services Corporation Amendments (H.R. 6666). Had I been present, I would have voted affirmatively for the conference report.

PRESSING THE PRESIDENT ON INNOCENT PRISONERS

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. HANSEN. Mr. Speaker, as the end of another year arrives and the Christmas season is upon us I cannot help but call the attention of this body to a grievous injustice which continues to exist for certain Americans overseas.

I refer to those of our citizens incarcerated in Bolivian prisons who wait month after month, year after year for justice to be done in an antiquated court system even though they may be innocent.

I have personally traveled to Bolivia specifically to help correct this problem and significant progress has been made. However, much remains to be done to correct abuses of human rights, particularly the rights of the innocent.

To this end I have addressed significant effort in every possible area where help might be expected, and particularly at the Presidential level. I am still hopeful that the White House will become more specifically involved to expedite matters to the fullest extent possible and submit the following press release and letters to the President to illustrate the extent of my efforts in this regard:

EXPEDITING RELEASE OF AMERICANS IN BOLIVIAN PRISONS

Specific requests to expedite the release of Americans held in Bolivian prisons were made Tuesday by Congressman George Hansen at a White House sponsored meeting held in the U.S. Capitol Building.

Conducting the meeting at President Carter's request was Ms. Patricia Derian, the President's State Department Coordinator for Human Rights and Humanitarian Affairs, who has personally been to Bolivia to study the prisoner problem.

Hansen, who has also been to Bolivia and who arranged for the meetings on Capitol Hill for the benefit of concerned lawmakers and staff members, made requests designed to expedite the handling of prisoners, particularly those considered innocent. Noting that a constituent, Tom McGinnis of Idaho Falls, has been held for 18 months by Bolivan authorities with no prosecution recommended, Hansen insisted that something must be done to stop this abuse of human rights.

The Idaho lawmaker requested of State Department officials present that they check with Bolivian authorities to see if a prisoner when considered innocent by the prosecutors might not be freed with little or no review by the Courts which are so grievously slow in such cases. He also asked regarding the McGinnis case if it wouldn't be possible to separate the eight prisoners involved who are now considered as a group so that they might proceed individually without suffering the delays that grouping has chronically caused.

"This," he said, "would help move the McGinnis case along much more rapidly which certainly should be a consideration after he has been in prison so long and is considered not guilty."

"A lower court decision on the McGinnis case is expected by December 14," Hansen noted. "However, a Superior Court must then review the lower court decision whether innocent or guilty."

DECEMBER 7, 1977.

DEAR MR. PRESIDENT: I wrote you on October 19 regarding measures necessary to expedite the release of Americans imprisoned in Bolivia. Since that time, I have made several and frequent contacts with the White House and State Department to promote such efforts including an insistence that your personal involvement is necessary to assure maximum possible success.

To date, cooperation has improved measurably in State Department areas including the activities of our new Ambassador to Bolivia. However, efforts at the White House beyond your visit with President Banzer continue to be at a level less than necessary or desired.

Even a brief meeting with you by concerned Members of Congress and a measured effort on your part could be the necessary ingredient to assure success in at least six cases of getting innocent people home for the Christmas holidays.

Surely the spirit of the season should be sufficient motivation to gain this important White House assistance.

Mr. President, the Bolivian prosecutors have now recommended absolution (no prosecution) for six Americans who have been held, even though innocent, for nearly two years. The Lower Court on December 3 has accepted this recommendation for absolution on three Americans and is expected to so rule by the 14th of December on the other three. A Superior Court must then pass final judgment before release can be made which could again be frustratingly time consuming.

I have requested the State Department to ask Bolivian authorities for only a limited or cursory review at the Superior Court level on cases where absolution has been agreed to by both prosecutors and the Lower Court in order to expedite the handling of cases where there is apparently no guilt.

It is here as well as in other key places where your influence could be most effectively felt and possibly productive in bringing the six innocent people home to their families for Christmas.

Will you not intercede with a special request in this noble cause at this most appropriate occasion. Certainly in the cause of human rights, securing justice and humanitarian treatment among the nations of the world is important, but let us not forget "charity begins at home."

I hope for an early and favorable reply.

Sincerely,

GEORGE HANSEN,
Member of Congress.

OCTOBER 19, 1977.

DEAR MR. PRESIDENT: I am writing to you on a matter of urgent humanitarian concern. Two score Americans have been languishing in Bolivian prisons month after month, year after year, unable to even get a determination on innocence or guilt. In the name of civil rights and human decency this is intolerable.

The Bolivian Government is friendly and cooperative and has joined in many ways to assist the United States in solving social and economic problems effecting each of us. I find the leaders and the people themselves in Bolivia genuinely hospitable, friendly and accommodating.

Nevertheless, the time has come for the leadership of both of our nations to put an end to ritualistic procedures and bureaucratic red tape and insensitivity and to do something to relieve the plight of Americans imprisoned in foreign circumstances and their families here at home. I have played the game of international and internal politics to the point of frustration and even anger.

My efforts have taken me as the only Member of Congress or the Senate to visit Bolivia for the sole purpose of solving the prisoner problem and I know whereof I speak. We have witnessed a parade of Americans both private and official to Bolivia to deal with the prisoner situation. The President of that nation has also discussed with you the matter of Americans imprisoned in Bolivia during his recent visit here. Still nothing substantive has been accomplished and very few individuals have found relief in this plight.

I do not pretend to pass judgment on the cases. Obviously they range from not guilty to varying degrees of guilt which must be determined by the Bolivian legal system. However, this is where the problem really lies—the fact that prisoners remain incarcerated whether innocent or guilty for great periods of time while bureaucracy rolls on with relatively little response both here and there.

Everyone deserves the right to plan their life and their families should have some knowledge of the time and extent of their sacrifice. Guilt or innocence, not knowing is the worst part.

I find some families of limited circumstances unable to plan how much money they can send for the upkeep of their loved one because they have no way of knowing how long the incarceration will be, with or without sentence, as related to the resources they have available. Such uncertainty is cruel and inhuman treatment by any standard and must come to an immediate end.

Of course, another sad aspect of a system of prolonged trials and indecision is that innocent people can spend years in jail. This is the case with my own constituent, Tom McGinnis of Idaho Falls, and several friends both American and other nationalities.

The Bolivian prosecutors have agreed that there is not sufficient evidence to make a case and yet six individuals of one group, including Mr. McGinnis, who have already served 16 months in prison must continue to wait month after month pending some pro forma decision of the court which may or may not grant their release.

Since my visit to Bolivia during the August Congressional Recess some accomplishments have materialized which were arranged pursuant to my negotiations with government officials there.

1. A Supreme Court review has been generally abolished which leaves consideration of prisoner cases to the two stages of lower and superior court levels.

2. Prison time served in awaiting sentence may be counted against the sentence and a reduction of sentence for good behavior is also now available. Earlier this year laws were changed reducing sentences from a minimum of eight to ten years to two years which caused some delay in processing cases because of the anticipation of such a change.

3. Agreement was reached to make possible early release of prisoners technically detained who have already served their sentences. Two of these prisoners, both from the State of Texas, came home at approximately the same time as I returned from Bolivia.

4. Additional new judges and prosecutors have been appointed making possible some speedup in review which this past week allowed resolution of the case of Susan Scanlan who has been seriously ill for many months. Miss Scanlan has now been released and two others associated with her have received final sentencing from the superior court. Unfortunately the final court decision added more time for incarceration to the lower court sentences which was deeply disappointing to the prisoners and their families. This is most

difficult to understand for those of us not familiar with such latitudes in court procedures. Certainly the matter of a reveiw court increasing a sentence is distasteful and should be protested bitterly by this government.

5. Bolivian authorities have lived up to the assurance I received in recommending complete absolution (no prosecution) in the case of Tom McGinnis and five of his associates after their reveiw of case facts while I was there. For this I am gratified and am sure the prisoners and their families are also appreciative. Nevertheless the frustrating and ridiculous procedure of holding all related cases together in a single unit and handling review of such in piecemeal fashion from attorney to attorney is absurd, cruel, and intolerable. After sixteen months these people now considered unprosecutable by the Bolivian government continue to be held in circumstances where they have not even completed the lower court review. At this rate a final determination will be so long in coming that they may have just as well been guilty of a serious crime, because they will have served the sentence anyway.

Mr. President, the last point I made regarding long-term incarceration of innocent persons is such a grievous sin against human beings that if there is any semblance of humanity left in this government or its agents, such as yourself and others in high positions, no stone should be left unturned to secure the immediate release of these people. I not only urge your action, but I demand it and stand ready to assist in every way possible. You can be certain that I am making my own plans to do what must be done in this regard even to the point of returning to Bolivia for more strenuous action very shortly as the Congress adjourns.

May these prisoners and their families, myself and all concerned count on you as our President to do what must be done swiftly and effectively to bring the relief so long hoped and prayed for.

Sincerely,

GEORGE HANSEN,
Member of Congress.

SOUTH BEND TRIBUNE SUMMARIZES WOMEN'S CONFERENCE

HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. BRADEMAS. Mr. Speaker, I am pleased to call to the attention of my colleagues a most useful summary, compiled by Jeanne Derbeck, a staff writer for the South Bend Tribune, of the resolutions passed by the National Women's Conference in Houston:

WILL WOMEN'S PANEL RESOLUTIONS BE ENFORCED?

(By Jeanne Derbeck)

Now that the National Women's Conference in Houston is over, what happens next?

The 25 women's rights resolutions passed by the delegates will go to the President and Congress, who may or may not take strong action to enforce the resolutions.

"We have 120 days to submit a report to the President and he has 120 days after that to respond," said Bella Abzug, presiding officer at the conference.

"Of course I expect him to do that (respond). Just as we have operated under the law, I am sure the President also will operate under the law."

Ms. Abzug was referring to the federal law that called for the conference and created the International Women's Year Commission that ran it. But what does "respond" mean? The law says that "the President shall submit to each House of Congress recommendations with respect to matters considered in such report" and he shall do so within 120 days of receipt of the report.

In eight months, then, President Jimmy Carter's recommendations will reach members of Congress, who will surely disagree on some of them.

By law the conference was supposed to "identify the barriers that prevent women from participating fully and equally in all aspects of national life and develop recommendations for means by which such barriers can be removed."

The resolutions passed form a large and costly order. Here is a summary of them:

Arts and humanities: Instructs the President to take steps to assure equal opportunities for women in upper level posts in federally-funded cultural institutions, on grant-awarding boards and in receiving government grants.

Battered women: The President and Congress should declare the elimination of violence in the home a national goal and should establish a clearing house for information and financial assistance for groups providing service for battered women and their children.

Business: Seeks a national policy from the President integrating women into government-wide business-related activities.

Child abuse: Asks funding and support for treatment of abused children and their parents. Child abuse is defined as pornographic exploitation of children, sexual abuse, battering and neglect.

Child care: Calls for the federal government taking a major role in providing child care program.

Credit: Calls for vigorous enforcement of the federal Equal Credit Opportunity Act.

Disabled women: Seeks enforcement of the Vocational Rehabilitation Act of 1973.

Education: Seeks vigorous enforcement of laws prohibiting discrimination at all levels of education, more educational programs for women and bilingual programs.

Elective and appointive office: Calls for more efforts to increase the number of women in office, including judgeships and policy-making positions.

Employment: Seeks a federal policy of full employment so that all women who are willing and able to work may do so.

Equal rights amendment: Calls for ratification of the amendment.

Health: Calls for a national health security program and points to special health needs of women because they bear children.

Homemakers: Says laws relating to marital property, inheritance and domestic relations should be based on the principle that marriage is a partnership in which the contribution of each spouse is of equal importance and value. Seeks coverage of homemakers under social security.

Insurance: Calls for the elimination of insurance discrimination.

International affairs: Urges that many more women participate in all aspects of formulating and executing U.S. foreign policy.

Media: Calls for the media to employ women in all job categories, especially in policy-making positions. Also seeks end to stereotyped portrayal of women's roles.

Minority women: Seeks specific proposals in all programs designed to assist women to also "overcome the double discrimination against minority women."

Offenders: Calls for a review and reform of state laws to eliminate discrimination in the treatment of women in penal facilities.

Older women: Asks federal and state governments and social welfare groups to support efforts to provide social and health services for older women to "live with dignity and security."

Rape: Seeks revised rape laws to provide for graduated degrees of seriousness, to include rape by spouses and to ban the introduction into evidence of the past sexual conduct of the victim.

Reproductive freedom: Supports the Supreme Court ruling that women should have the right to an abortion, and calls for family planning services for teen-agers and others and the reform of laws discriminating against illegitimacy.

Rural women: Calls for a federal rural education policy to meet the special needs of isolation, poverty and underemployment that "characterizes much of rural America."

Sexual preference: Seeks elimination of discrimination against lesbians, including that in child custody cases.

Statistics: Calls for federal collection and analysis of data on the basis of sex.

Welfare: Calls for reform of federal welfare laws, including special training for parents receiving Aid to Families with Dependent Children, and a focus on assisting heads of such families to get off welfare and support themselves and their children.

FARMERS AND LEGIONNAIRES SAY "NO" TO PANAMA TREATIES

HON. GEORGE HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, December 7, 1977

Mr. HANSEN. Mr. Speaker, an army runs on its stomach and wins by its manpower or force of arms. The United States of America has been blessed with abundant food supplies and a dedicated and resourceful military organization.

Those very same people who have furnished the food and firepower to keep America free and strong now form two strong bulwarks against the threat to the Nation's security posed in the effort to give away the Panama Canal.

Polls show the rural areas of the Nation strongly against the turnover of the canal to Panama and there is good reason. The Nation's farmers and ranchers stand to lose a great deal if the proposed Panama Canal treaties are ratified.

Little attention has been given to a report entitled "The Panama Canal and U.S. Farm Trade" published by the Foreign Agricultural Service of the U.S. Department of Agriculture.

An article regarding this report published in the December 4 edition of the Washington Post raises staggering implications which certainly merit the attention of every Member of Congress. The proposed treaties would not only prove disastrous to America's agricultural industry, but also very damaging to the interests of every American consumer.

Additionally, Mr. Speaker, the men who have fought and sacrificed for our freedom and security have strong opinions against any transfer of the Panama Canal from American control. Mr. Robert C. Smith, national commander of the American Legion, speaks forthrightly concerning the Legion's posture toward the proposed treaties and raises many

points in the commander's message in the December 1977 issue of the American Legion Magazine which strongly question the merits of giving up U.S. control of an area so vital to our economic and military security.

The articles follow:

[From the Washington Post, Dec. 4, 1977]

FOR THE RECORD

From "The Panama Canal and U.S. Farm Trade," published by the Foreign Agricultural Service.

While its role in total U.S. trade has declined in recent years, the 51-mile-long Panama Canal continues to be a key East-West link for U.S. farm trade. . . .

During 1976, about one in every five tons of U.S. farm-product exports moved through the canal. . . . During fiscal year 1976 grains and soybeans accounted for 16.3 per cent of all traffic through the canal—their share being exceeded only by the 18.7 per cent for petroleum and petroleum products. In calendar 1976, roughly 18 per cent of the 44.3 million-ton U.S. corn export, 26 per cent of the 15.3 million-ton soybean export, and 45 per cent of the 5.1 million-ton grain sorghum export moved through the canal. These three products, combined, earned $9.1 billion in foreign exchange for the United States during 1976 out of the $23 billion in total U.S. farm exports.

The canal handled 70 per cent of all U.S. farm-commodity exports to 15 markets in East, Southeast and South Asia and Oceania. The Asian market as a whole now means $8.5 billion to U.S. farmers and ranks alongside Western Europe as the leading outlet for U.S. agricultural products. . . .

. . . the canal is a much more economical means of shipping bulk products than any other alternative now available. Rerouting grain shipments around South America might almost double transportation costs, according to USDA analyses. And transit time would be increased considerably. . . . Cross-country land-sea transportation—including the minibridge system with surface carriers now used extensively for container shipping—also would be prohibitively expensive for grains and soybeans. . . .

[From the American Legion Magazine, December 1977]

WE HAVE AGAIN STUDIED THE TREATY; WE STILL SAY "NO"

Why is the American Legion so vehement in its opposition to the Panama Canal Treaty? Does it want to alienate all of Latin America? Does it want to invite sabotage against the canal? Does it really believe the canal is still vital to U.S. security?

The questions have dogged me in my first months as your national commander. I believe I should use this forum to reply so every American Legion member understands our position before Senate debate.

First, our opposition is directed at the treaty, not at the people of Panama. The American Legion has consistently supported fair and equitable payments to Panama for the canal, generous social and material assistance for its people and constant modernization of the canal for the economic and military well-being of the entire Western Hemisphere.

Debaters avoid these economic and security factors.

Isn't it disturbing that although this treaty has been negotiated by four U.S. administrations, the text was not made public until the eve of the gala signing ceremony at the White House? We were treated to a spectacle in which virtually every hemisphere chief of state signed a protocol for a treaty they had not read!

Subsequently, it became apparent that Washington and Panama City did not even agree what the text meant. Worse, the controversy has centered on circumstances under which the United States could exercise its military might to protect the canal and the hemisphere. President Carter and President Torrijos finally met and announced that they agreed on the interpretation of the treaty's vague language—but they did not clarify the language in the treaty.

An "understanding" between two heads of state is fine, but it lacks the force of law. What happens when Mr. Carter and/or Gen. Torrijos have left office? The American Legion does not believe such questions should rest on a reed called "understanding."

In 1975 alone, 14,000 ships transited the canal. Forty-five per cent of these voyages originated in the United States. These ships were loaded with the agricultural and manufactured exports vital to our balance of trade and payments. Any increase in tolls by Panama could have devastating effect on the world market position of the American farmer, laborer, businessman. The Mississippi Valley, Plains States and the east coast are vulnerable.

Should the canal ever be closed to U.S. ships, the Commerce Department estimates a $932 million jump in the price of U.S. exports, a $583 million jump in the price of imports. The impact would be chaotic.

On military issues there have been honest differences of opinion between highly qualified men who have debated the importance of the canal, but none has denied that loss of the canal in a time of emergency could be disastrous. Yet the very provisions of the treaty that are supposed to guarantee our right of intervention are those that cause anguish among left-wing Panamanians.

It's true that our biggest aircraft carriers cannot transit the canal. But 95 percent of U.S. fighting ships can, including powerfull nuclear forces. There's a lot more to the Navy than its giant flattops.

And what about Panama, this government headed by Gen. Torrijos?

His friendship for Castro is disquieting. His henchmen and propagandists have flayed the United States for years with phoney "colonialism" charges. Yet who has advertised the human rights survey of Panama by the respected Freedom House? That survey ranks Panama as the most dictatorial regime in the Hemisphere.

When Torrijos seized power in Panama in 1968, the country had a debt of $167 million. Today is owes over $1.5 billion and there has been precious little improvement in the lot of the average Panamanian. Under the treaty, the United States—in addition to huge annual payments to Panama—would encourage banks to loan Torrijos another $300 million.

Faced with all this, we are asked to endorse:

1. Surrender of control over a vital waterway built by American ingenuity and American money on land fairly purchased by the United States.

2. Surrender of all defense rights within 22 years, sooner should Panama exercise full sovereignty.

3. Surrender of U.S. sovereignty over the canal and the Canal Zone and the exposure of the human rights of U.S. citizens to Torrijos' law.

4. Granting veto power to Panama over any potential U.S. plan to build another Atlantic-Pacific canal anywhere in Central America.

5. Acceptance of nebulous language—backed by imprecise personal agreements—that U.S. warships would have priority use of the canal during an emergency.

The American Legion cannot endorse such a treaty. We pray that the Senate shares our years.

HOUSE OF REPRESENTATIVES—*Thursday, December 8, 1977*

The House met at 10 o'clock a.m.

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

Let the peace of God rule in your hearts.—Colossians 3: 15.

Eternal Spirit, as we continue our way through the Advent season we open our hearts unto Thee who art the Way, the Truth, and the Life—the way to life, the truth about life, and the life itself. Strengthen us and all who work on Capitol Hill. Hold us steady amid the noise and bustle of a busy time. Give to us the spirit of wisdom and understanding and the determination to plan and to proceed together for the good of our country. May the light of Christmas add to our joy, the love of Christmas multiply our service to humanity, and the life of Christmas increase the opportunities for peace in our world.

In the spirit of the Prince of Peace we offer this our morning prayer. Amen.

THE JOURNAL

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

Without objection, the Journal stands approved.

There was no objection.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Chirdon, one of his secretaries, who also informed the House that on December 2, 1977, the President approved and signed a bill of the House of the following title:

H.R. 7345. An act to amend title 38 of the United States Code to increase the rates of disability and death pension and to increase the rates of dependency and indemnity compensation for parents, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Sparrow, one of its clerks, announced that the Senate agrees to the amendments of the House to the amendments of the Senate numbered 1 and 3 to a bill of the House of the following title:

H.R. 7738. An act with respect to the powers of the President in time of war or national emergency.

The message also announced that the Senate agrees to the amendments of the